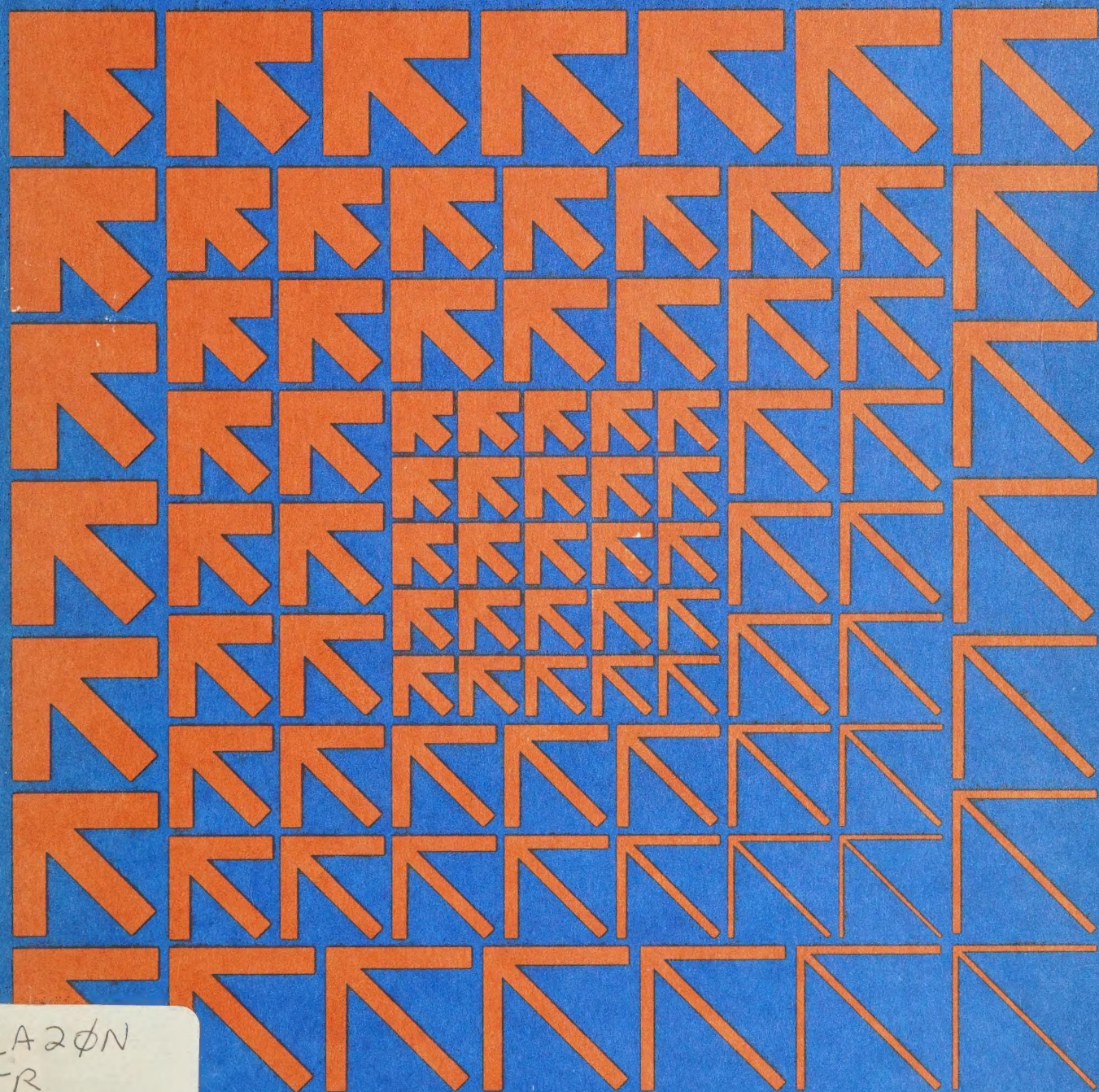




Northwestern
Ontario

A Strategy for
Development



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A Strategy for Development

January 1978

The Honourable
W. Darcy McKeough,
Treasurer of Ontario

A. Rendall Dick,
Deputy Minister

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Preface

Seven years ago, *Design for Development: Northwestern Ontario Region, Phase 2: Policy Recommendations* was released. In August 1971, the Government of Ontario adopted that report, with some modifications, as a statement of policy, and initiated actions to achieve the goals set out in the document.

This present development strategy for Northwestern Ontario represents an update of the 1970 report, and is the result of a review undertaken to ensure that Design for Development policies remain relevant to current regional conditions. This strategy represents the combined evaluation and proposals of all Ontario ministries regarding economic and social development issues in Northwestern Ontario. It was prepared jointly by all ministries, with the Ministry of Treasury, Economics and Intergovernmental Affairs, the policy field Secretariats, and the Ministry of Northern Affairs working together to integrate and consolidate the many contributions.

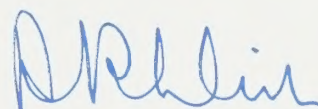
In the preparation of the strategy, the province benefitted from the representations and studies prepared by various groups and agencies having an interest in the region. In particular, the contributions of the Northwestern Ontario Municipal Advisory Committee are acknowledged. The Municipal Advisory Committee, through its own deliberations and through commentary on earlier drafts of the strategy, provided a valuable perspective on regional issues, particularly those relating to community development. Recent reports of the Quetico Committee on Getting and Holding Manpower, the Ontario Economic Council, and other organizations also were consulted, and provincial government staff held numerous discussions with representatives from industry, community organizations, and other groups in the region. In this document an effort has been made to address the concerns expressed by these individuals and groups.

During the course of the next three months, the government will invite briefs from any individual or group wishing to comment on the document. Only after these briefs have been considered will the government settle upon its policy in respect to the strategy.

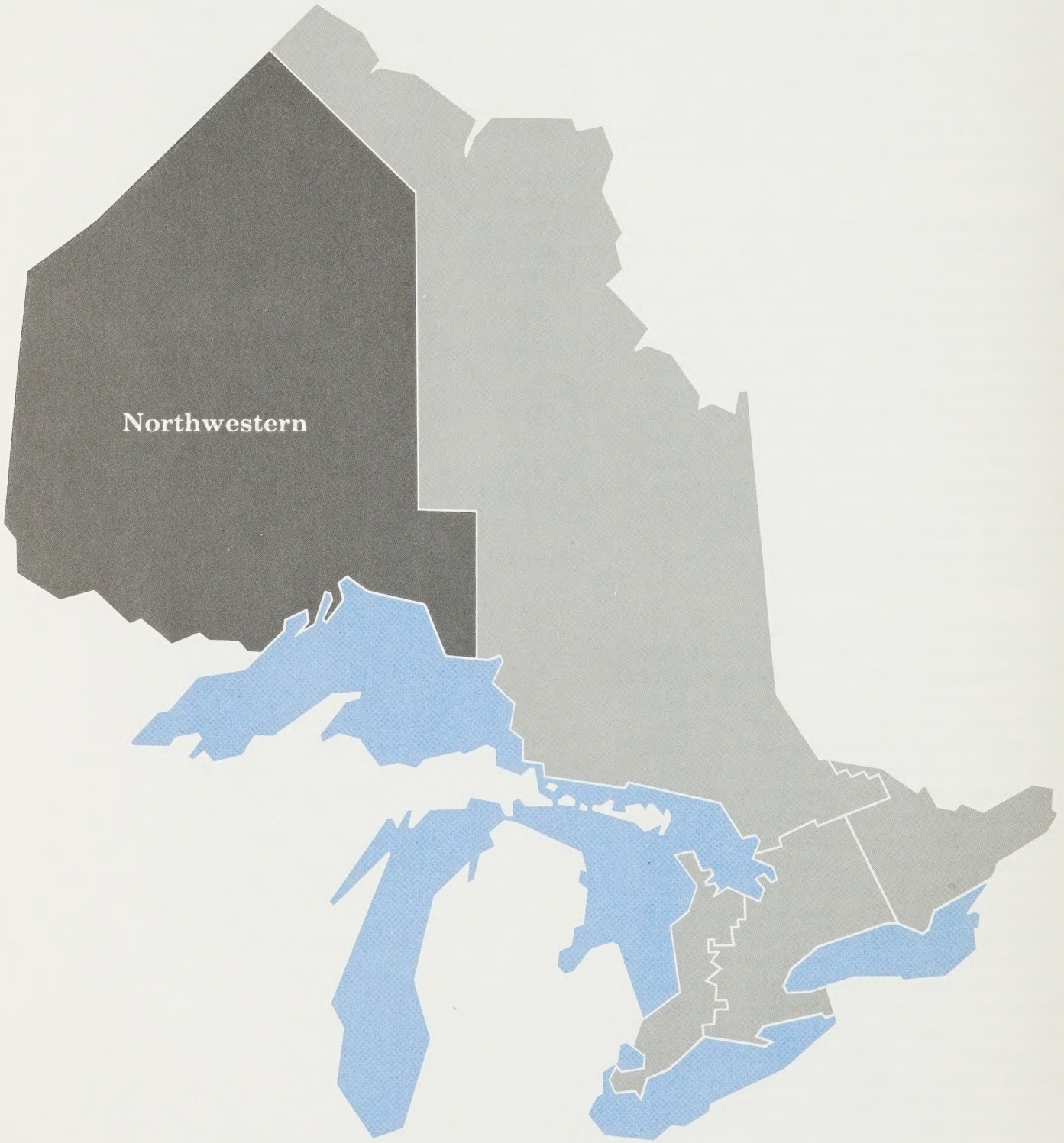
This strategy indicates clearly that the province remains committed to supporting and promoting the development of Northwestern Ontario, as the region faces the challenges of the future.



The Honourable W. Darcy McKeough,
Treasurer of Ontario



A. Rendall Dick, Deputy Minister



Northwestern

Introduction and Background

This paper presents an economic and social development strategy for Northwestern Ontario. It is a draft, intended for thorough review and discussion by the citizens of the Northwest. This paper:

- Reviews the steps taken by the Ontario government to implement the 1971 strategy;
- Sets out the issues facing the region today; and
- Outlines proposals and ideas to deal with these issues.

This update of *Design for Development: Northwestern Ontario Region* was prepared with four primary objectives in mind:

Local Involvement: A workable strategy must reflect the experience and aspirations of the people in the Northwest. Accordingly, there has been extensive consultation with the Municipal Advisory Committee (MAC).¹ The MAC reviewed and made many contributions to this draft strategy.

Realism: A positive strategy must be compatible with the realities of national and provincial policies and constraints; otherwise, it is pie in the sky. Not the least of these constraints is the need to contain strictly the growth of government spending.

Scope: Just as a solid strategy cannot reflect the views of only one segment of society, neither can it reflect a narrow perspective of government policies and programs. Accordingly, virtually all ministries in the Ontario government have directly contributed to this document. It is designed to reflect the practical views and experience of those who are directly responsible for government programs, particularly staff with experience in Northwestern Ontario.

Commitment: A clear goal of the government is to ensure that Northwestern Ontario continues to grow and flourish in the decades to come. The purpose of identifying problems and constraints is not to put insurmountable barriers in the path of development, but rather to find positive ways of overcoming them.

In October 1970, *Design for Development: Northwestern Ontario Region* was released.² It contained a series of policy and program recommendations geared to stimulating economic growth and improving the general level of prosperity and conditions of life in the Northwest. In 1971, following public review of this document, the report was adopted, with some modifications, as a statement of policy.³

Over the past six years, the government has taken a large number of steps to achieve the objectives set out in 1970. The most significant of these was the creation of the Regional Priority Budget, which has resulted in some \$70 million worth of priority government spending in Northwestern Ontario. This and other programs are reviewed in detail in a companion document to this one, *Design for Development: Northwestern Ontario, Initiatives and Achievements*.⁴

One of the major initiatives taken recently was the establishment of the Ministry of Northern Affairs. The new ministry helps to coordinate all Ontario government programs in the north and has its own administrative functions, as well. The Ministry of Northern Affairs will play a key role in guiding the implementation of this strategy over the coming years.

Current Economic Conditions

Since 1971, economic indicators for the Northwest have pointed to a stronger regional economy, with 10,000 new jobs and rising levels of per capita income. However, the optimism inherent in these positive economic achievements must be tempered

¹The Northwestern Ontario Municipal Advisory Committee is composed of elected representatives from the councils of all organized municipalities in the region.

²The Hon. C.S. MacNaughton, *Design for Development: Northwestern Ontario Region, Phase 2: Policy Recommendations* (October 1970).

³The Hon. W. Darcy McKeough, *A Policy Statement on the Northwestern Ontario Region* (August 1971).

⁴The Hon. Leo Bernier and the Hon. W. Darcy McKeough, *Design for Development: Northwestern Ontario, Initiatives and Achievements* (September 1977).

by the recognition that the regional economy is still highly reliant on resources which are subject to the uncertainties of world markets. Moreover, not all groups in the region participate fully in current development. Capital-intensive resource development tends to lead to the creation of well-paying jobs for workers directly involved in the industry, but local employment spin-offs may be somewhat limited. Nevertheless, it is clear that the economic well-being of the region has improved since 1971.

The Ontario economy as a whole is facing strong challenges. Ontario's international competitiveness in manufacturing has weakened somewhat in recent years because of productivity performance and rising cost pressures. These cost pressures, particularly, are compounded in Northwestern Ontario by long distances from major markets and suppliers and the resulting transportation costs. Internal linkages in the region's economy are comparatively weak, and the local market is limited by the small, dispersed nature of the population base.

While there has been significant growth in the service sector of the region over the past decade, much of this expansion has been in the form of "catch up" growth. It is anticipated that this rate of growth, particularly in social services, will moderate in the future.

The potential for resource-based industries is strong. There are indications of significant mineral deposits having potential for development, but, at the present time, because of the weak investment climate, no new developments are under way. In forestry-related activities, the potential for expansion lies mainly in resource upgrading and further processing, since most of the productive forest-land already has been licensed for current operations. The rigours of international competition and the need for an improved domestic investment climate must be recognized as significant factors affecting the future of both these key activities in the Northwestern economy.

This update of *Design for Development: Northwestern Ontario Region*, was prepared with an appreciation of these economic

factors in mind. The paragraphs above summarize Chapters 1 and 2 of the document; the following is a brief summary of Chapters 3 - 7.

Economic Development

Overall economic and fiscal policies for the province are the responsibility of the Ministry of Treasury, Economics and Intergovernmental Affairs. Chapter 3 proposes that the government continue an economic development thrust emphasizing diversification of the regional economy, primarily in activities directly related to the natural resource base. It outlines a broad economic policy framework, while specific policies related to resource development are included in the subsequent sections. The central economic development objective is to maximize employment and income growth by obtaining greater economic value locally from resources by both upgrading the utilization of these resources and, where economically feasible, further processing.

This approach would be complemented by the continued development of supporting service activities and related manufacturing facilities. In arriving at this proposed strategy, the document reviews the limits of the resource base in the Northwest and provides a cautious, but realistic, commentary on the potential for diversification of the region's economy away from its natural resource base.

Some of the important implications of successfully pursuing this strategy are:

- The economy would continue to be subject to cyclical change, but this impact would be moderated;
- The removal of constraints to development of the region's resources would become a strengthened priority, consistent with social and environmental goals;
- Limitations on development would be accepted in order to protect the environment in accordance with existing standards;
- Economic-scale requirements would tend to restrict large resource projects to major corporations capable of financing these activities;

- The regional industrial and commercial community, however, could provide many of the related smaller-scale service and manufacturing activities;
- Special manpower training efforts may be required to diversify the labour-force skills in the area and to ensure that the region's current residents are equipped to participate in future development.

Resources Development

Chapter 4 shows how each ministry in the Resources Development Field proposes to gear its programs and strategies to meeting the overall objectives of development in the Northwest. The ministries included in this policy field are:

- Agriculture and Food
- Energy
- Environment
- Housing
- Industry and Tourism
- Labour
- Natural Resources
- Transportation and Communications

In proposing their various development strategies within this broad economic development framework, the ministries in the Resources Policy Field have been guided by the following basic objectives:

- To maintain programs that contribute to a positive and stable climate for further investment;
- To provide for the optimum allocation of land and water resources to serve economic needs, while taking into account various social, physical, and environmental factors and the resolution of conflicts for certain resources between competing interests;
- To encourage the development of the region's resources through further exploration and research, the initiation of new ventures, and the processing of raw materials;
- To continue to improve the availability of local skills through job-training programs;

- To establish policies and standards for community development, so that services and housing can be provided at a reasonable cost, and to deal with the social, economic, and physical problems of new or declining resource communities.

The specific sections in the chapter deal with the following matters.

Agriculture and Food

Agricultural production capability in Northwestern Ontario is far beyond that which is presently being utilized, and it is a priority to utilize this potential more fully.

Other issues of particular concern include high-capability agricultural lands, the lack of an organized marketing structure for non-dairy products, and the fragmentation of viable agricultural operations as a result of residential severances.

In terms of future approaches, the ministry's policies to protect foodland as they relate to the Northwest are explained, with particular emphasis on their potential impact through official plans in protecting high-capability agricultural lands. It is suggested that alternative produce and agricultural pursuits beyond dairy and cow/calf operations could be successful in the region. Improved pasture and forage management is to be further encouraged.

Energy

Four energy-related issues are identified:

- Uncertainty over the long-term availability and price of energy;
- Concern regarding the impact and location of electric power transmission lines and generating stations;
- The impact of natural gas pipeline construction in the event of development of frontier resources; and
- The relatively high price of some forms of energy.

While the pricing of energy is primarily a federal responsibility, Ontario has consistently taken a strong stand in urging the federal government to protect the interests of Ontario consumers by limiting crude oil and natural gas price increases. Concerning the north in particular, a number of initiatives are now under way in the ministry.

- Studies into the electrification alternatives for remote communities have resulted in a three-year program to provide service to communities which qualify. This is in addition to the federal-provincial Indian Community Electrification Program and the Telecom Power Program.
- Ontario Hydro's current long-term plan will meet expected growth in electric power consumption in the Northwest to beyond 1983. A study to establish a long-term plan for meeting needs from 1983 to 2003 is being undertaken.
- The Ministry of Energy is participating in the Polar Gas Project study.
- The ministry is pursuing with the petroleum industry ways in which increased efficiency can reduce unit costs in Northern Ontario.

In addition to the above, the ministry is also working to promote experimental programs in wind/diesel hybrid generating systems, the use of wood waste and refuse as energy sources, and the potential of biomass for methanol production.

Environment

The primary emphasis of the Ministry of the Environment in this study is to establish a proper balance between the objectives of economic development and pollution control. While this objective is common to the province as a whole, the unique physical and economic characteristics of the Northwest intensify the urgency of the issues. It is suggested that, in considering new developments, compromises and trade-offs will have to be made, depending on the circumstances. Economic benefits should not always take precedence, particularly where

such benefits are short-term and the damage to the environment will be great and long-lasting.

The key issues dealt with in the environment strategy are:

- Conflict between environmental control and development needs;
- Problems of water pollution, air quality, and noise in certain areas;
- Servicing problems in the north generally, but particularly in the smaller communities;
- The need to improve methods of solid-waste disposal; and
- The need for a coordinated process to deal with major resource development projects.

The objectives, policies, and programs of the ministry are not likely to change significantly in the foreseeable future, although adjustments will be made to reflect changes in sources, degree of pollution, and technology. The environmental process will also play a significant part in the development of the Northwest.

Housing

There are a number of important issues in Northwestern Ontario which are being addressed by the Ministry of Housing. These include:

- Housing costs;
- Shortages of rental housing, particularly in resource communities;
- Provision of housing in new or expanding resource communities;
- Capacity of small municipalities to implement housing programs; and
- Delays in the approval process.

Other issues are also discussed, including housing quality in remote areas and problems associated with declining communities.

With few exceptions, the initiation and delivery of housing programs is dependent on local government. There is a recognized need for administrative and other assist-

ance to communities under 5,000 so that they can participate more fully in available programs, and the ministry is improving its capability to provide such help.

The ministry is also working to achieve housing cost savings in the Northwest. It will be cooperating with the Ministry of the Environment in the formulation of an experimental program to advance the technology of servicing systems, test performance, and evaluate the impact on costs.

Industry and Tourism

The main objective of the Ministry of Industry and Tourism contributing to this strategy is to encourage further processing of natural resources in the region and to promote opportunities associated with supplying needs of the primary resource industries and consumer markets in the larger urban centres. The importance of local initiative in identifying and developing business opportunities is stressed.

The ministry operates an extensive range of programs in the Northwest, including assistance for small businesses and industrial parks. In addition, priority is now being placed on the preparation of a Tourism Development Plan focused on tourism throughout the north.

Labour

The ministry is undertaking a number of actions geared to key Northwestern priorities, including:

- Manpower;
- Employment of women;
- Human rights; and
- Occupational health and safety.

A major study of manpower issues in Northwestern Ontario will be completed shortly. This should lead to recommendations to improve manpower skills and availability in the region. In addition, the ministry is cooperating with the federal government to develop a Community Em-

ployment Strategy geared to help people, currently dependent on government support, to find gainful employment.

A number of initiatives are being undertaken to increase the participation of women in the northern labour force, such as an affirmative action program in conjunction with some northern employers. In the area of human rights, a proposed strategy for the future is outlined, including the opening of a storefront office in Kenora.

Following the recommendations of the Ham Commission, an integrated Occupational Health and Safety Division has been created within the Ministry of Labour. It will undertake a number of initiatives in the Northwest with respect to safe working conditions.

Natural Resources

The strategy of the Ministry of Natural Resources is centred on four main components:

- Forestry;
- Mining;
- Fish and wildlife harvesting; and
- Recreation.

The major forestry priority of the ministry is to develop a comprehensive regeneration plan for the area. Included in this plan will be the exploration of measures to improve the productivity of forest resources; development of modified harvesting techniques through the expansion of the forest-access-road construction program; and full assessment of the environmental implications of forestry operations.

The ministry is also seeking to upgrade the woods industry through measures such as further processing of kraft pulp products and birch and poplar. There may also be potential for a wood-based chemical industry in the Northwest, and commercial production of methanol fuel from wood could become commercially viable in future, depending on technology and energy prices.

In mining, the major concern is the reduced level of exploration and development in Ontario. Initiatives to correct this situation which are being considered include expanding the areas designated under the Mineral Exploration Assistance Program (MEAP) and more research by the ministry and Ontario universities. Fuller access to geological data would also contribute to more successful mining operations.

The government has recently set up a Cabinet Committee on the economic future of mining communities, chaired by the Minister of Natural Resources, to investigate and report on current problems related to both mining and mining communities.

To improve the potential for fish and wildlife harvesting, the ministry is examining ways to encourage increased production of commercial fish, fur, wild rice, and bait fish. In the area of recreation, the lake-planning program will produce some 400 cottage lots per year in the Northwest. The ministry has also initiated the Crown Land Recreation Study, which will produce recommendations for recreational land use in the Northwest.

The ministry will coordinate its land-use programs through the "Strategic Land Use Plan." The objectives and policies of this plan will reflect the government's strategic objectives for Northwestern Ontario.

Transportation and Communications

Over the past several years, the ministry has undertaken a number of initiatives to meet two major transportation issues in the Northwest—community isolation and freight rates. One example of the ministry's response to isolation is the extension of air links to smaller communities. Also, the ministry conducted an extensive investigation of freight rates in the north and has to date implemented nine of 20 recommenda-

tions of its report.⁵ One of the objectives of the government's review of the recommendations of the Select Committee on Highway Transportation will be to improve business opportunities and competitiveness in the north.

In the field of communications, many communities of the Thunder Bay area are poorly served by both radio and television. Where cable systems exist, their range may be low and technical quality poor. The current action plan to deal with this issue includes the development of the Pickle Lake Corridor, service to remote areas, and support for private sector proposals for low-power relay transmitter service in a number of Northwestern communities. A future communications strategy is also outlined, which centres on increasing provision of service to communities as funds become available.

Social Development

Chapter 5 covers the policies and strategies of the five ministries in the Social Development Policy Field—Community and Social Services, Health, Education, Colleges and Universities, and Culture and Recreation. The strategies from each individual ministry reflect a number of common themes:

- Greater flexibility in programs to reflect unique regional characteristics, particularly for isolated communities;
- The need for more coordination of service delivery between ministries and the three levels of government;
- The need for dealing more effectively with rapidly declining or expanding resource communities; and,
- The need for innovative approaches in services for native people.

Social Services

The region is only slightly above average as a consumer of social services, but there are "pockets of poverty" in some declining and Indian communities. While there have been

⁵ *An Investigation of Freight Rates and Related Problems in Northern Ontario* (Toronto, 1976).

significant improvements in social services over the last five years, including three new homes for the aged and 18 new day-care nurseries, more needs to be done.

In particular, services should be more closely integrated with the programs of the Ministries of Health and Education. One way of doing this may be the creation of district social service boards which would be involved in the delivery of local services. Sharing of facilities and field staff with other ministries is proposed. Also, substituting home care for institutional care should be a priority in the Northwest.

Suggestions for social service improvements for the native population are also outlined. These include better financing of Indian Band social services, less federal administrative control, better relations between the Bands and Children's Aid Societies, and possible unification of social services administration between various Bands.

The Children's Services Division of the ministry, created in July 1977, is now preparing policy papers on legislation, local coordination, information systems, and standards. All of these activities will involve consideration of Northwest concerns, and all facets of the service-giving community will have an opportunity to react to these papers and make their views known. Also, one pilot project for the development of local children's services bodies will be in the north and should provide insight into better means of service delivery.

Health

The major health care issue in the Northwest is ensuring that adequate services are available at reasonable cost.

This presents a significant challenge, because of the distances and small populations involved. In part, the two District Health Councils (Thunder Bay and Kenora-Rainy River) are now responsible for advising the ministry on better ways to deliver and coordinate services.

As a result of the Underserved Areas Program, 43 family doctors are now practising in 21 communities that have been designated as underserved. In the case of dental care, 19 areas have been designated and, of these, 10 now have dentists in practise.

It is suggested that the future health strategy for the region, which will be developed in conjunction with the District Health Councils, should be based on the following:

- Strengthening public health services throughout the region;
- Additional focus on alcoholism-related problems;
- Strengthening primary-care services and encouraging professionals to work in groups to facilitate more flexible use of manpower;
- Closer coordination with social services programs;
- Better home-care programs as an alternative to institutional care;
- Continued efforts to get and hold professional manpower and to change and expand traditional roles of some professions, such as nursing; and
- Developing a long-range policy for health services for native people.

Primary Education

Since 1971 the Ministry of Education has taken a number of steps to deal with the problems of delivering education services by small and isolated boards and has dealt with some special issues related to the needs of native people. To build on this progress and meet the problems of the future effectively, a number of alternative policies are presented for discussion.

With respect to facilitating better education in the areas covered by the 19 smallest boards, three alternatives are suggested. These are: increasing the services provided by the regional office, pooling the resources of individual boards, or merging the boards into a single unit. Other existing and potential initiatives are also outlined, including appointment of more education

directors, pooling of information, adult education, development of standards related to busing students, and innovative approaches to curriculum development and staff utilization.

A possible strategy for native education is also outlined. It centres on counselling, curriculum planning, and dividing financial responsibility between the two senior levels of government.

Post-secondary Education and Manpower Training

This area is the responsibility of the Ministry of Colleges and Universities. A large number of programs and facilities have been established to meet the needs of Northwestern Ontario. For example, Lakehead University offers some 50 courses out of Thunder Bay in 14 Northwestern communities. Also, the Faculty of Education introduced, in 1975, a teacher education program for native people. Confederation College now offers a complete range of programs on three campuses—Thunder Bay, Kenora, and Fort Frances. Mobile facilities have extended many of these programs to some 47 communities and 27 Reserves.

Four manpower training programs operate in the area—general adult training, apprenticeship training, training in business and industry (TIBI), and the Canada Manpower Industrial Training Program (CMITP). The latter three programs are available in small and remote communities and, where appropriate, programs are available on Reserves.

No specific new initiatives are proposed under this section. However, the programs and institutions can adapt to new priorities and needs as they are identified in future.

Culture and Recreation

Grants under the Wintario program and The Community Recreation Centres Act

have recently had an important impact on improving facilities in many northern communities and thus have generally contributed to the quality of northern life. Other programs of the Ministry of Culture and Recreation have also made a solid contribution to the Northwest:

- Ontario Educational Communications Authority (OECA) will soon be fully available in Thunder Bay, and portions of the service are available in other parts of the Northwest;
- The ministry has made a substantial investment in Old Fort William, and a number of local historical museums have also received support;
- Outreach Ontario and Festival Ontario provide support to cultural events in small communities;
- Additional funding is provided to northern communities for libraries and recreational programs.

The ministry will continue to develop these services in the Northwest, consistent with local priorities and financial constraints.

The ministry also includes the Indian Community Secretariat, which is responsible for the coordination of provincial policy development with respect to native people and coordination of communications between the government and native people. The secretariat will continue to encourage native groups to further develop their leadership potential and will contribute to the resolution of specific problems through the funding of special projects.

Justice

The Justice Policy Field (Chapter 6) includes four ministries—Attorney General, Consumer and Commercial Relations, Correctional Services, and Solicitor General. Over the past five years, these ministries have undertaken a number of initiatives designed to improve services and the administration of justice in the Northwest. Some highlights are:

- *The Courts:* Travelling courts have been expanded and, in native communities, the Chief and members of the Band Council may be involved in sentencing decisions. There is also increasing involvement of natives in all aspects of the judicial process, and changes in legal aid have been adopted to meet problems of isolation.
- *Assistance to Consumers:* A consumer protection office has been opened in Thunder Bay, and a consumer education program, financed by the Regional Priority Budget, has also been undertaken.
- *Corrections:* Steps have been taken to provide more services in the region, including women's facilities in Kenora, a volunteer probation project in isolated communities and community residential centres, and mobile camps, staffed by native persons.
- *Policing:* Initiatives have been taken by the OPP to improve policing in isolated areas and also to develop a special Reserve Policing Project, with cost sharing from the federal government, resulting in Band Constables serving on Reserves.
- *Fire Protection:* The Office of the Fire Marshall has developed special projects for providing fire protection in some unorganized communities.

The momentum developed by these reforms should be maintained, as the administration of justice needs to be brought still closer to the local community. Future initiatives should be geared to crime prevention and rehabilitation and this, in turn, requires close integration with social services. In particular, emphasis will be placed on creating a justice system that responds to the needs of local communities and the native people. One important aspect of this is the integration and reorganization of children's services in the Ministry of Community and Social Services.

This section of the strategy also discusses further initiatives in the area of consumer protection and fire protection for the residents of Northwestern Ontario.

Community Settlement

Over the past five years, some important community settlement issues (Chapter 7) have been:

- Uncertainty with respect to the "growth centre" policy set out in the 1970 strategy for the Northwest;
- The adequacy of local government structure in developed areas and services for undeveloped areas;
- Levels of local taxation; and
- Financial problems faced by declining or rapidly expanding communities.

A re-evaluation of the growth-centre approach suggests that the concept should be applied in a more limited fashion. The City of Thunder Bay will continue as the principal centre of the region and the only centre capable of sustaining a wide range of industrial activity. Also, its role as the central transportation hub of the region makes it a logical location for many region-wide service facilities. Kenora, Dryden, and Fort Frances will fulfil important distribution and service functions, primarily at the subregional level. In addition, they have the basic physical infrastructure and population levels required to support moderate industrial and commercial expansion. While moving away from the "designated growth centre" concept, it is still proposed that the province continue to recognize these communities as having the most potential for further expansion.

With respect to some other communities, it is suggested that, for purposes of service delivery, a grouping or "clustering" concept may be appropriate. Three areas may have potential for the clustering of the provision of services:

- The north shore—Manitouawadge, Marathon, Terrace Bay and Schreiber;
- Nakina, Geraldton, and Longlac; and
- Red Lake, Balmertown, and Ear Falls.

It is proposed that the province, in conjunction with these communities, undertake a feasibility study to determine whether cooperative efforts to provide future services on a cluster basis are feasible.

It should be emphasized that the province will continue to respond positively to economic development throughout the region, and thus many other existing communities may benefit from provincial expenditures and investments.

Local government organizational problems were thoroughly explored in a background paper released by the province in 1976.⁶ It emphasized that the province will continue to assist northern municipalities that wish to examine their local government structure and consider appropriate changes. This particularly applies to areas where there are several roughly equal-sized municipalities which are part of the same economic and physical area and may be experiencing duplication of services and lack of coordinated planning.

In the case of undeveloped areas, the province has implemented the Isolated Communities Assistance Fund to help sparsely settled areas meet some needs which are normally met by local government.

In the area of local government finance, the region has traditionally experienced a number of problems related to the lack of an adequate assessment base, the need for "up front" financing in high growth situations, and generally higher costs in providing municipal services. Over the past several years the province has responded to these problems with a wide range of reforms and initiatives in the provincial-municipal grants structure.

The combined effort of these measures has been to increase the total amount of transfers to local government by about 50 per cent over the provincial average on a per capita basis. This is in addition to signifi-

cant spending under the Regional Priority Budget, where the bulk of spending has been concentrated in the Northwest. Accordingly, this strategy does not include proposals for further enrichments in financial transfers. However, it is suggested that further exploration of the cluster concept may uncover ways of reducing municipal expenditures.

The community settlement strategy also contains a discussion of problems associated with rapidly expanding, or declining, communities. In general it is suggested that there is no single, simple solution to the problems, but that clearer definition of the issues and assignment of responsibilities for dealing with them is needed in the future.

⁶The Hon. W. Darcy McKeough, *Proposals for Improving Opportunities for Local Government Services in Northern Ontario* (Toronto, 1976).

Chapter 1

Introduction

The Northwestern Ontario Planning Program

In 1971, the Ontario government endorsed a report entitled *Design for Development: Northwestern Ontario Region, Phase 2: Policy Recommendations*. Implementation of the report has proceeded over the past six years through the development of provincial ministerial programs and participation in these programs by the federal and municipal governments. In addition, regular budgetary allocations for programs in the Northwest have been supplemented by the introduction of the Regional Priority Budget.⁷

Since 1971, there have been significant changes in Northwestern Ontario. To ensure that the Design for Development policies will remain relevant to current regional conditions, the government initiated a review and evaluation of the report. The present report is the result of that review.

The subsequent chapters of this report comprise a development strategy for Northwestern Ontario, presented in the following order:

- A summary of provincial development initiatives in the region since 1970;
- An overview of the region's current socio-economic situation, highlighting important changes since 1970;
- An outline of the general approach to economic development proposed for the region;
- Specific strategies for development, identifying ministry responses to, and proposed initiatives for, the region, and subdivided by policy field;
- A community settlement strategy for the future, highlighting the community-related implications of the development initiatives proposed in earlier chapters, and suggesting measures to improve the quality of community life in the region.

Establishment of a New Ministry

In 1977 the government established a Ministry of Northern Affairs. The new ministry helps to coordinate all Ontario government programs in the north, and has its own administrative functions as well: it is responsible for Regional Priority Budget projects in the north, for townsite development, for the Northern Ontario Resources Transportation Committee, and for the Isolated Communities Assistance Fund. The new ministry will be establishing priorities for constructing northern roads. It has assumed responsibility for the Ontario Northland Transportation Commission, including norOntair and Ontario Northland Communications.

The ministry will continually assess the government's activities in the north. In particular, it will look for any gaps that may exist between programs or between ministerial responsibilities. Also, as part of its function as the major coordinating body for Northern Ontario, the Ministry of Northern Affairs will strengthen the government's relationships with municipal and community groups.

In order to carry out its mandate in the Northwest, the ministry has established a regional office in Kenora under the direction of an Assistant Deputy Minister. This regional headquarters is supported by the Northern Affairs offices, which are located in 11 Northwestern Ontario communities, and by a Northern Affairs district office at Thunder Bay.

A Special Note on Native People

The following chapters of this strategy include discussion of particular issues relevant to the native community and of ministry responses to these needs. Specific consideration of native issues acknowledges that the methods and means of addressing native problems on occasion may vary from the approaches taken in regular programs.

⁷Details of these actions are contained in *Design for Development: Northwestern Ontario, Initiatives and Achievements*, copies of which are available from the offices of the Ministry of Northern Affairs.

At the same time, it is recognized that the problems of native people must be tackled within the context of the wider problems of the region and its communities.

Moreover, Ontario recognizes the need for consultation, where appropriate, with Treaty Organizations, Band Councils, the federal government, and municipalities on matters of mutual concern regarding native people.

Scope of the Strategy

This regional strategy should not be viewed as the definitive, all-inclusive "plan" for Northwestern Ontario. As noted throughout this document, the Northwestern Region is characterized by continuous change. Policy approaches and program initiatives must be flexible, in order to respond to new and evolving conditions. For this reason alone, a development strategy must be viewed as a transitional document subject to regular reviews and revisions.

Moreover, this draft strategy emphasizes the initiatives to be pursued by the province in an effort to improve the general level of prosperity and conditions of life in the Northwest. Provincial decisions, of course, are not the only variables affecting the development of Northwestern Ontario.

The decisions made in the private sector—for example, in regard to industrial activities in the region—will have a profound impact on the future of the Northwest. While the proposals contained in this strategy are intended to facilitate economic development in the region, the extent to which such development is realized will depend very much upon initiatives taken in the private sector.

The federal government, too, has major responsibilities in the Northwest that shape the region's development. Many critical areas of public policy, including aspects of transportation, national energy supply, immigration, policies concerning native people, and labour market policies, lie within the mandate of the federal govern-

ment. Similarly, municipal governments have important functions to fulfil in the region. It must be recognized that Ontario alone cannot produce the environment necessary to ensure the full realization of the region's social and economic potential.

It should also be noted that this strategy is not the only review of government policies that will affect the future of Northwestern Ontario. For example, the work of the Royal Commission on Electric Power Planning and the Royal Commission on the Northern Environment will strongly influence the evolution of the region.

The Royal Commission on the Northern Environment is of particular note. This inquiry will investigate the social, economic, and cultural implications of development in the northern portion of the region, for the people of Ontario and particularly for the residents of the north.

Chapter 2

Regional Development Since 1970

Provincial Development Initiatives

The 1971 policy statement on Northwestern Ontario emphasized that future provincial policies would be geared to the following key objectives:⁸

- To create at least 18,000 new jobs over the next two decades, encouraging economic expansion, especially in a system of growth centres;
- To diversify the regional economy through those industries suited to the potential of the region;
- To expand and strengthen the resource-based industries;
- To provide more effective transportation and communications for economic growth and social welfare;
- To improve and strengthen the social infrastructure.

Over the past six years the government has introduced a number of initiatives aimed at achieving these objectives and improving socioeconomic conditions in the Northwest. The following are some of the major programs that have been established or expanded.

1. Regional Priority Budget

Launched in 1973, the Regional Priority Budget is designed to facilitate the coordination and rapid implementation of important socioeconomic development projects. While ministry budgeting generally is geared to the broad objectives laid out in the 1971 policy statement, the Regional Priority Budget ensures that special programs can be accelerated and coordinated with programs of the federal government.

Through the first four years of operation of the Regional Priority Budget, the province has committed some \$70 million to Northwestern Ontario (see Table 1). A little over 30 per cent of these funds is recoverable from the federal government.⁹

Under the Regional Priority Budget, funds have been allocated for:

Community Infrastructure: Sewerage, water, and roads projects have been undertaken to respond to growth pressures related to economic expansion. To date, over 50 per cent of the Regional Priority Budget has been devoted to this area.

Roads: The budget has accelerated the construction of resource-access roads and provincial roads in the region. For example, over \$10 million has been allocated to date for the upgrading of Highway 599 in response to existing and potential mineral and forestry development, and close to \$4 million has been committed to the construction of the Marchington Lake Road.

Regional Infrastructure Development: Plans have been announced for construction of a multi-purpose airport at Geraldton that will cost approximately \$3 million, and close to \$4 million has been allocated to date for the construction of the Manitou Road (Fort Frances to Dryden).

Mining Development: Funds have been devoted to expanding mineral exploration and further encouraging mining development.

Manpower: Funds have been devoted to analyzing manpower needs and developing special service programs to improve skill levels.

⁸Honourable W. Darcy McKeough, *Design for Development, A Policy Statement on the Northwestern Ontario Region* (Department of Treasury and Economics, 1971), p. 1.

⁹The General Development Agreement, signed in February 1974, provides for cost-sharing programs to meet socioeconomic needs in Northwestern Ontario, as well as in other regions. The agreement serves as an umbrella for subsidiary agreements to coordinate existing programs, assist specific projects, or establish new programs.

Table I
Special Budget Priorities
for Northwestern Ontario
 (\$000's)^a

Area of Activity	1973-74	1974-75	1975-76	1976-77	Total	Percent
Community Infrastructure	0	2,632	20,842	16,765	40,239	56
Regional Infrastructure Development	1,150	960	3,375	7,361	12,846	18
Resource Development	1,075	3,210	5,546	6,423	16,254	23
Labour Force Development	0	277	143	188	608	1
Social Development	100	548	732	174	1,554	2
Total Activity	2,325	7,627	30,638	30,911	71,501	100

^aRegional Priority Budget: distribution of expenditures by area of activity, Northwestern Ontario.

Social Programs: Funds have been provided to support a number of experimental projects in the social service and justice fields, with particular emphasis on the needs of native people.

Table I summarizes all regional priority projects in the region to 1976-77.

2. Support for Local Government

As well as providing special assistance through the Regional Priority Budget, the province has significantly increased its support for local government in the north. In 1973, the Northern Ontario Support Grant was introduced, providing local governments with funds equal to 15 per cent of taxes levied for municipal purposes. This amount will be increased to 18 per cent in 1977-78. Special assistance also is available under the resource equalization, general support, and other per capita grants provided to municipalities.

3. Air Travel

The province has established norOntair service in six communities in Northwestern Ontario: Thunder Bay, Kenora, Fort Frances, Dryden, Atikokan, and Pickle Lake. With the completion of the airport now under construction, Geraldton will be added to this network. NorOntair has improved business communication and provided a stimulus to economic development in the region.

4. Communications

The province and Bell Canada are jointly funding an \$18 million program to extend telecommunication services to 26 remote northern communities, providing for reliable, 24-hour-a-day voice communication.

5. District Health Councils

District Health Councils have been established in Thunder Bay and Kenora-Rainy River to advise the Ministry of Health on planning for the entire Northwestern Ontario region.

6. Student Counselling

The Ministry of Education and the Ministry of Community and Social Services have cooperated in providing counselling and tutorial help, as well as social support to meet student needs with respect to shelter, food, clothing, school supplies, and health care. This program has markedly reduced the dropout rate among students exposed to it.

7. Housing Development

Since 1970, the Ministry of Housing has completed construction of 235 units of family housing and 852 units of senior citizen housing, and servicing of 156 lots in the Northwest. In addition, nearly \$3 million has been provided for the rehabilitation of housing under the Ontario Home Renewal Program.

8. Community Planning

The Community Planning Advisory Branch of the Ministry of Housing has assisted in establishing some form of local planning for about 90 per cent of the region's population.

9. Cultural and Recreational Facilities

Grants based on various formulae are awarded to communities in Northwestern Ontario, under the Wintario, Libraries, and Community Recreation Centres programs. The purpose of the grants is to offset disadvantages faced by smaller centres in providing cultural and recreational services to the local population.

10. Justice System

A number of initiatives have been taken to improve access to policing, courts, and correctional programs in the region, especially for isolated communities and native people, and to develop increased community involvement in the justice system.

11. Services for Consumers

Offices have been opened by the Ministry of Consumer and Commercial Relations in the region, and a consumer education program has been developed.

12. Community Programs for the Mentally Retarded

In 1975 the Ministry of Community and Social Services initiated a policy emphasizing community living for mentally retarded persons. As a result of this initiative, a variety of new community-based programs is being developed to enable retarded persons to live independently in the community, to the extent that is appropriate and practicable.

These and other initiatives introduced by the province to improve the socioeconomic development of the Northwest are described in more detail in later chapters of this document.

Community Settlement Patterns and Trends

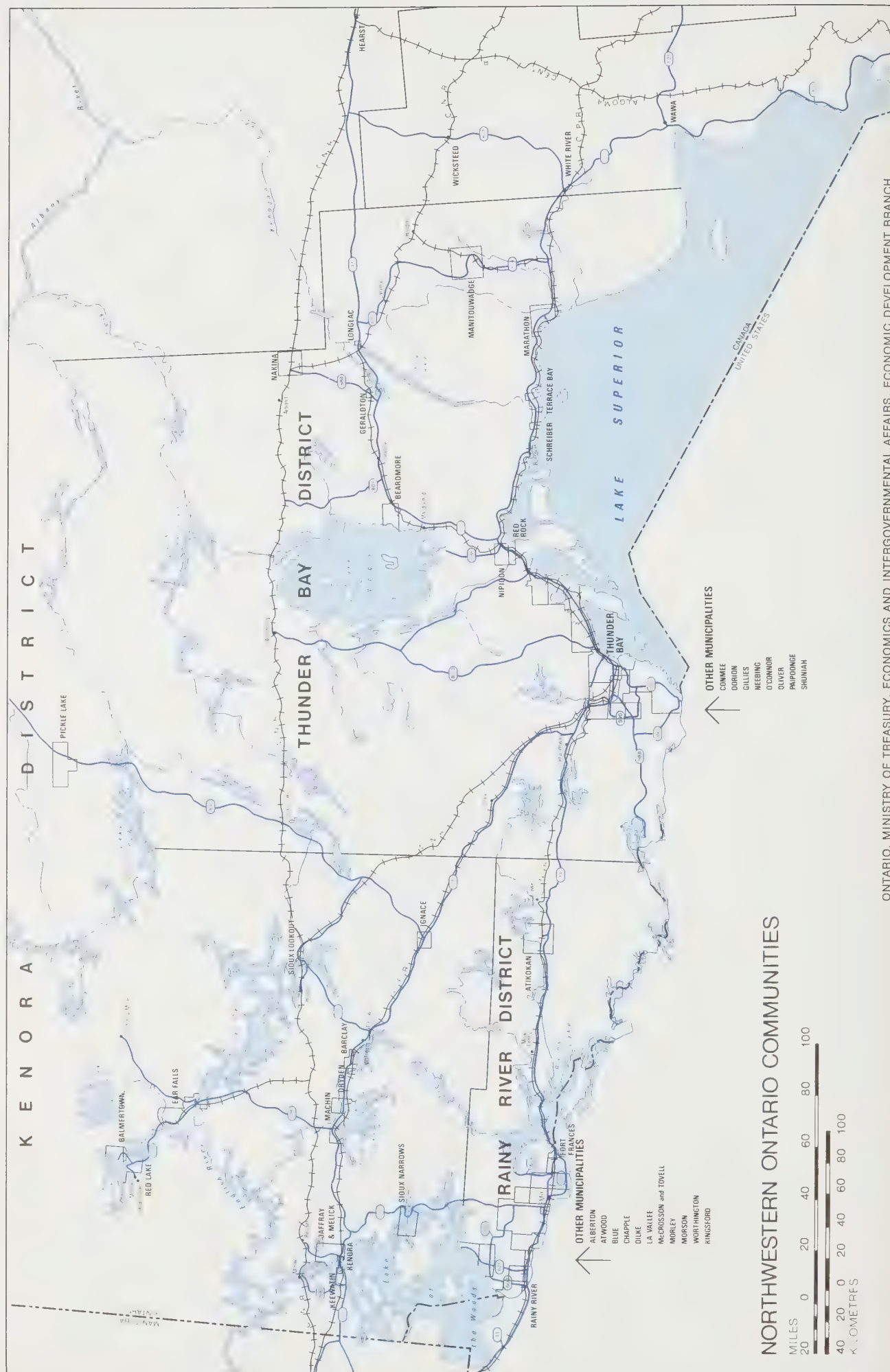
In Northwestern Ontario, settlement is characterized by numerous, widely dispersed, single-industry communities, founded on a sometimes-vulnerable resource base (see map facing p. 23). The City of Thunder Bay, with approximately 50 per cent of the regional population, dominates the Northwest, performing a major service function and containing most of the highly specialized institutional facilities to be found in the region. Kenora, Fort Frances, and Dryden also are important centres, each having a population of close to 10,000. Most other settlements have fewer than 3,000 residents.

The region is growing slowly, has a high degree of out-migration (as compared with other parts of the province), and is experiencing gradual urbanization and a high rate of rural depopulation.¹⁰ At the district level, Rainy River is losing population, experiencing a high degree of rural depopulation, but not undergoing significant urbanization. The District of Thunder Bay is characterized by rural depopulation, urbanization, and modest growth in population, reflecting the influence of the City of Thunder Bay. Kenora District experienced a 9 per cent increase in population between 1971 and 1976, mostly in native communities and in the resource communities of Ignace, Ear Falls, and Sioux Lookout.

At the community level, population trends vary significantly:

- The City of Thunder Bay is the principal growth area. Its size and service function contribute to its present growth, and will continue to do so in the future.
- Ignace, Pickle Lake, Nakina, and Ear Falls are growing rapidly as a result of major resource development. The forestry expan-

¹⁰It is estimated that, for the period from 1971 to 1976, Northwestern Ontario experienced an average annual population growth rate of approximately 0.8 per cent. The province's population grew at an annual rate of 1.4 per cent during the same period.



sion contributing to Nakina's anticipated growth will also bring substantial change to Geraldton, Longlac, Terrace Bay, and Schreiber, all of which have had stable or declining populations.

- Communities near the largest centres are accommodating some of the growth associated with these centres. The townships and the unorganized fringes around Thunder Bay, Dryden, and Kenora are growing, while Kenora and Dryden themselves have experienced stable or slightly falling populations.
- The predominantly Indian communities and Indian Reserves continue to experience high growth rates.
- Resource communities whose economic base is currently secure have fairly stable populations. The settlements of Manitouwadge, Nipigon, and Red Rock, and the Red Lake/Balmertown area are examples of this situation. Given the history of the resource sector, it must be realized that such stability is not always a long-term phenomenon. The uncertainty surrounding the future of Atikokan typifies this situation.
- The service centres of Fort Frances and Rainy River are stable, but both face a continually declining area population base. This decline in the agricultural townships has yet to moderate.
- Resource-based communities whose major industry has declined (or even closed) are losing population. Settlements related to woodlands operations, which have been affected by increasing remoteness from cutting activity, centralization, and mechanization, also are facing population decline.

While population growth in the region has continued to be much slower than in Ontario as a whole (about one-half of the provincial average), the disparity between the growth rates of the region and the province has narrowed since 1971.

As noted above, there is a continuing high rate of population increase in predominantly native communities. Preliminary population counts from the 1976 census indicate that Indians on Reserves constituted about 6 per cent of the total population in the

region, and a comparison of the 1976 figures with those of previous censuses shows that this group represents a greater proportion of the region's population than it has in former years. Native people, including registered Indians on and off reserves, and non-status Indians and Metis, constitute a substantial proportion of the total population of the region.

The natural increase of the native population is high, compared to that of the rest of the population. If present trends were to continue, the total native population (including non-registered Indians and Metis) would constitute up to 25 per cent of the population in the region by the turn of the century. In the District of Kenora, native people would comprise one-half or more of the population.

Recent population trends in the region have a close relationship to growth in the labour force. Between 1971 and 1976, existing population continued to take up a considerable portion of new employment in the region, and as a result the population growth trend was somewhat moderated. During that period, employment increased by about 12 per cent, while population grew by only about 4 per cent, a situation very similar to that in the period 1961-1971. It is expected that this pattern will continue, although a levelling-off of local participation rates may occur, thereby increasing the number of jobs available to newcomers to the region. Future national immigration policies could have a significant impact on the population growth of the Northwest, and regional needs should be considered when policy changes are contemplated.

General Economic Performance

Since 1971, economic indicators for the Northwest have pointed to a stronger regional economy, increased employment, and rising levels of per capita income. The development programs introduced by the province over the past six years have been an important factor in improving the economic well-being of the region. Against the signs of improvement, however, must be

balanced the basic characteristic of the regional economy; that is, its heavy reliance on resources that are subject to the uncertainties of world markets. Certain income distribution characteristics inherent in the region's economy also must be acknowledged: capital-intensive resource development tends to lead to the creation of well-paying jobs for workers directly involved in the industry, but to the present has afforded only a limited number of employment opportunities for women, native people, and the unskilled members of the region's population. The abandonment of more traditional economic pursuits causes particular problems for native people, who are often ill-equipped, because of their social and cultural background, to participate readily in industry. There is a continuing need to accommodate the special requirements of these people.

In the pages that follow, four aspects of the regional economy are briefly discussed: employment, income, prices, and developments in three major economic sectors. The trends that are identified will have an important bearing on future planning for the Northwestern Region.

Employment

Since 1971, the Northwest has experienced labour force growth comparable to that of Ontario as a whole. From 1971 to 1976, the regional labour force grew at a rate of 2.8 per cent annually, as compared with a provincial average of 2.9 per cent. In absolute terms, regional employment grew by over 10,000 between 1971 and 1976, representing significant progress towards the 1971 policy statement target of 18,000 new jobs by 1991. This increase is a positive indicator for the region's economy, reflecting growth in employment opportunities and gradual maturing of the service (tertiary) sector.

While overall unemployment rates in the Northwest are close to the provincial average, cyclical variations tend to be more extreme, and pockets of high unemployment persist. Regional shortages and high turnover rates also persist, particularly for skilled manpower. The need for skilled

manpower reflects both the difficulties in attracting labour to remote communities and the technological sophistication and related capital intensity of the region's major industrial employers: the pulp and paper and mining industries. The "cost per job," measured in terms of the capital required to support one direct job, exceeds \$200,000 in many cases. These high capital-to-labour requirements will place a constraint on achieving high levels of direct job creation in resource industries in the future.

The rate of participation in the labour force has risen significantly in the Northwest since 1961, and particularly in recent years, so that it now exceeds that of the province. This increase stems largely from a substantial rise in job opportunities for women. There are, however, groups and communities within the region that continue to experience low participation rates and high unemployment. Efforts to improve the accessibility of jobs to local residents must continue.

Income

The income differential between Northwestern Ontario and the whole of Ontario for taxable returns has narrowed since 1971. In both 1961 and 1971, the average income per taxpayer in the province was more than 5 per cent higher than in the Northwest. In 1974, however, the gap had narrowed to about 2 per cent. Since 1971 the percentage of taxpayers earning more than \$10,000 has been higher for the region than for the province as a whole.

At the same time, the gap between regional and provincial personal income data (that is, income for all returns, including those too low to be subject to tax) widened marginally between 1971 and 1974, reflecting the fact that the number of low-income earners in the Northwest did not decline as rapidly as in other parts of the province. While, in absolute terms, the number of persons in the region earning less than \$5,000 dropped between 1971 and 1974, relative to the province, the Northwest has a larger proportion whose income is marginal.

It should be noted that longer-term trends for personal income indicate that the relationship of the income pattern in the Northwest to that of Ontario as a whole has remained quite constant, and the variations noted above have been moderate.

Inflation

Regularly published data on the consumer price index cover only the Thunder Bay area. Data indicate that the rate of price increases in Thunder Bay has been comparable to that for all Canada. However, cost pressures have been greater in Thunder Bay than in other Ontario cities.

Undoubtedly, the more remote centres of the region have experienced more acute cost pressures than those affecting other areas of Ontario. Energy and food costs, in particular, contribute to this state of affairs, which in great part reflects the economics of servicing the region.

Trends in the Major Economic Sectors

1. Resources

Primary resource activities constitute the economic backbone of the Northwest. While direct employment in this sector is being affected by increasing levels of mechanization, primary industries are still a major employer in the region.

The economic performance of the primary sector is highly volatile, reflecting its sensitivity to world markets. Nowhere is the market instability of resources more clearly identifiable in the Northwest than in the mining industry. Since 1971, six major mining developments have been initiated in the region, involving a total capital cost of over \$220 million and employing 1,250 people. At present, however, the short-term outlook for further mine openings in the region is rather bleak. World market conditions are deteriorating, and the mining industry is hampered by uncertainties concerning changes in government policies and regulations.

In logging, the year-to-year employment pattern also has reflected the volatility that is characteristic of primary industries. While mechanization in logging has reduced per-unit labour demands, announced expansion plans of pulp mills in the region will more than offset this impact, and logging employment is expected to continue to grow. Currently, as many as 4,000 are employed in this first stage of forest industry activity. Unless new sources of labour are tapped, shortages of manpower in the region may constrain forest industry development.

2. Manufacturing

The Northwest's share of Ontario manufacturing rose from 1.7 per cent in 1971 to 2.0 per cent in 1974, as measured by value of shipments. Despite its relatively small share of manufacturing, the Northwest experienced significant rates of growth in selected industries. It is notable that, in the Northwest, value added grew at a much more rapid rate than value of shipments, reflecting increased prices for resource-based commodities. The following data summarize recent trends in manufacturing:

- From 1971 to 1974, the number of manufacturing establishments increased by 1.7 per cent per year in the Northwest, while Ontario experienced an overall annual decrease of 0.2 per cent.
- From 1971 to 1974, manufacturing employment in the Northwest increased annually by 3.5 per cent. During the same period, manufacturing employment in the province rose by 3.4 per cent per year.
- Total salaries and wages in the Northwest rose by 14.7 per cent per year between 1971 and 1974.
- From 1971 to 1974, total value of shipments from the Northwest increased by 20.9 per cent annually, and total value added rose by 27.4 per cent per year. These figures are all in excess of the provincial averages for manufacturing during the same period.
- Forest-based manufacturing activity experienced the major share of Northwestern Ontario's growth from 1971 to 1974. Although pulp and paper retained its dominant position, growth in wood industries also was significant.

Forest-based manufacturing (consisting of the paper and allied industries and the wood industries) is the major secondary activity in the Northwest. In 1974, it accounted for more than 72 per cent of manufacturing employment, 76 per cent of salaries and wages, and 80 per cent of the total value of shipments by manufacturing industries in the Northwest. Approximately 40 per cent of this employment was located in Thunder Bay.

Since 1970, three pulp mills have expanded or are in the process of expanding in the region. These are: Ontario Minnesota in Fort Frances, Great Lakes Paper in Thunder Bay, and Kimberly-Clark in Terrace Bay. Approximate additional employment in those three mills will amount to 450 jobs. It should be noted that, in addition to the direct pulp mill employment, as many as twice the number of woodland jobs are being added to support these expansions.

The wood industries of Northwestern Ontario include sawmills, and plywood, veneer, and particleboard mills. In some areas, these facilities are fully integrated with established pulp mills. In 1974, some 1,500 persons were employed in 40 establishments located through the region.

In the wood-related industries, most new development since 1970 has occurred in the sawmill and board mill sectors. All four of the reconstituted-wood mills (manufacturing particleboard, waferboard, and flakeboard) in Northwestern Ontario have been developed since 1970. Together, the four mills—Weldwood in Longlac, MacMillan Bloedel in Thunder Bay, Great Lakes Paper in Thunder Bay, and Pluswood in Atikokan—have added about 500 jobs to the regional economy.

3. Services

As in all of Ontario, the bulk of employment in the Northwest is found in the service sector. In particular, growth in regional public services over the past decade has contributed to the size of this sector. While it is anticipated that the service industries will continue to expand in the Northwest, their growth pattern is expected to moderate substantially in the next few years.

Tourism-related industry¹¹ accounted for 6.2 per cent of the labour force in the Northwest in 1971 (the latest year for which data are available), as compared with the provincial average of 3.6 per cent. The relative importance of tourism employment in the region remained stable.

Within the region, the significance of tourism-related employment varies among districts. It is of major economic consequence in Kenora District, where it represented over 9 per cent of the total labour force in 1971, and in Rainy River District, where it represented close to 8 per cent. Over 50 per cent of all tourism-related jobs in the Northwest, however, are found in Thunder Bay District.

¹¹Tourism-related industry is defined as including all hotel, motel, restaurant, and resort employment.

Chapter 3

Economic Development

Introduction

The preceding chapter of this document outlined the government's moves to implement programs in support of the 1970 development strategy. It also showed that, in broad terms, the economy of the Northwest has improved in relation to the total Ontario economy over the past five years. There remain, however, important issues and concerns that must be addressed if the region is to achieve its full economic and social potential.

Throughout the province, the government and private sectors are facing difficult economic challenges. Ontario's international competitiveness in manufacturing has weakened somewhat in recent years because of lagging productivity and rising cost pressures. Cost pressures, particularly, are intensified in Northwestern Ontario by the distance of communities from major markets and suppliers, and the resulting high cost of transportation. Internal linkages in the region's economy are not well developed, and the local market is limited because the population base is small and dispersed.

While there has been significant growth in the service sector of the Northwest over the past decade, much of this expansion has been in the form of "catch up" growth. It is anticipated that the rate of service-sector growth, particularly in the social services categories, will moderate in the future.

The primary sector appears to have a solid future, although it is highly susceptible to international market developments. There are indications of significant mineral deposits that have development potential, but at present, because of the weak investment climate, no new developments are under way. In forestry-related activities, the potential for expansion lies mainly in resource upgrading and further processing, since most of the productive forest land has already been licensed for current operations. The rigours of international competition and the need for an improved domestic investment climate must be recognized as important factors affecting the future of both these vital components in the Northwestern economy.

Mixed Growth Building on the Natural Resource Base

In the light of this cautious, but realistic, assessment of economic factors affecting Northwestern Ontario, it is proposed that the government continue to promote economic development, emphasizing expansion and diversification of the regional economy, primarily in activities directly related to the natural resource base. Through this approach, it is hoped that greater economic value will be obtained locally from the resources located in the region, by increasing and improving the use of these resources, and, where economically feasible, by further processing them before export. This approach would be complemented by the continued development of supporting services and the manufacture of related equipment and supplies. Emphasis would be placed on supporting, wherever possible, development initiatives from within the region.

In order to take advantage of economies of scale, many projects developed under this economic strategy would necessarily require outside capital and expertise. However, there are other enterprises, both needed and practicable in the region, that have significant potential for development through local initiatives.

Critical to the pursuit of these goals is the improvement of the quality of the region's communities. It is expected that both employment and population would expand moderately under this economic development strategy—a strategy of mixed growth building on the natural resource base.

In the past, it was sometimes believed that the Northwest was an "unlimited storehouse of natural resources." We know now that this impression is dangerously false. A development strategy directed only at the rapid expansion of natural resource extraction would run the risk of draining the resource base and of being overly dependent on the world market for raw materials. In particular, the physical limits of the forest resource base must be recognized. Moreover,

the capital intensity and high external income leakages that are characteristic of primary-resource-based development would restrict the job-creation impact of such a strategy. A development approach that centred solely on resource extraction would tend also to compound the social problems inherent in the isolated, single-industry communities that are typical of such activity. Nevertheless, resource extraction is still the core of the Northwestern Ontario economy, providing the base on which other activities can be established, and development in this sector should continue to be encouraged.

While economic diversification is a central policy objective, it is difficult to foresee a rapid diversification of the region's economy away from its natural resource base, unless very extensive and costly interventions were to be made in the market economy. Large-scale industrialization tends, in normal circumstances, to focus on larger centres with well-developed consumer markets, physical facilities, transportation links, and labour force. The possibility of such development in the region in the near future must be viewed realistically. Even massive infusions of public capital would fail to make large-scale industrialization practicable. Although the Northwest occupies a strategic location at the head of the Great Lakes, market accessibility will continue to limit the level of industrialization attainable in the region. Moreover, it is likely that a development strategy that attempted to stress rapid industrialization would reinforce the dominance of Thunder Bay, with perhaps modest growth in two or three other larger centres in the region. The majority of the communities in the Northwest would continue to be single-industry towns founded on a vulnerable resource base.

These statements regarding the limits of the resource base and industrialization potential should not be interpreted as a pessimistic rejection of future development opportunities in Northwestern Ontario. Rather they should be considered to form a framework within which both government and the private sector must work to expand

and diversify employment opportunities, improve the quality of the region's communities, and ensure, over the long term, a healthy economic future for the region. Central to this goal is the improvement of resource use in the region.

Anticipated Implications of the Development Strategy

As noted earlier in this report, provincial policies and development expenditures in the region since 1971 have been concerned with providing favourable conditions, largely through public responsibility for infrastructure, to support and induce expansion of private-sector activities in Northwestern Ontario. The anticipated implications of continuing a moderate resource-related approach to economic development are described in the sections that follow.

1. Exposure to Cyclical Instability

While the foundation of the region's economy would continue to be its natural resource base, the broadening of economic activities into the production of further-processed goods would, to the extent that this objective was achieved, tend to lessen the severity of rapid changes in the market for raw materials.

2. Capital Requirements and Job Creation

Resource-related development is subject to increasing scale requirements. Indeed, capital requirements, expressed in terms of the cost per job, exemplify the enormous costs of creating employment, particularly in primary mining activities. A recent survey of Northern Ontario resource firms indicated that the capital outlay required to generate one new position in the primary metals industry would amount to over \$250,000, while the average expenditure per job in pulp and paper operations would exceed \$300,000.

Although the cost per direct job of resource-related activities is high, they do generate favourable ancillary benefits. Some processing activities would probably locate near the

source of raw material, and thus economic development would tend to be distributed more evenly throughout the region, rather than being concentrated in Thunder Bay, as is the case in most non-resource industrialization. Existing economic-scale requirements would tend to restrict expansion of processing and upgrading facilities to large corporations capable of financing such projects. The region's industrial and commercial community could, however, provide some of the related and supporting services and undertake some manufacturing, on a small economic scale. These considerations are being taken into account in the current review of the province's industrial support programs.

The burden of capital requirements on the private sector could be eased if additional fiscal incentives were to be provided by government to encourage processing facilities. However, in the case of mining, Ontario already provides significant processing incentives to the industry, under the provisions of The Mining Tax Act.

3. Government Regulation of Resource Allocation

Not all constraints on the effective use of resources and the encouragement of further processing in the Northwest are economic in origin. There may be institutional rigidities and legal barriers that impede the efficient allocation of productive resources. Under the proposed economic development strategy, removal of such rigidities and barriers would become a policy priority.

Keeping in mind the need for a secure and competitive investment climate in Ontario, the government may have to review current licensing arrangements to ensure that the best possible economic return is being generated in the region and in the province. In the case of mineral resources, Section 113 of The Mining Act already serves as a useful monitoring device and enables the government to review the situation regularly and to ensure that as much processing as is economically feasible is carried out in Canada. In the case of forest resources, relevant sections of The Crown Timber Act fulfil a similar function. A review of the Act is now under way, and one of the objectives of the review is to provide for generation of

"the best possible economic return" to the region and the province through the development of forest resources.

The government must continually monitor its own policies and activities, so that they will remain compatible with the efficient allocation and use of natural resources in the Northwest. For example, the potential impact of ongoing trade and tariff negotiations on the further processing of resources in the province needs to be assessed. Similarly, land-use policies must be sensitive to other factors, such as the desirability of resource consolidation and accessibility.

4. Environmental Quality

Limitations on development are required in order to protect the environment in accordance with existing standards. Protective measures should be aimed at providing the long-term availability of renewable and scarce resources in the region.

At the same time, it must be recognized that additional regulations with respect to environmental control might impose costs that would inhibit the desired expansion of industry in the Northwest. Future measures would have to be devised with this trade-off in mind.

5. Occupational Variety

As noted earlier, the inevitably capital-intensive nature of resource-related economic development will tend to limit growth in direct employment. Moreover, the tendency of such development to polarize the labour force into well paid, highly skilled (often imported) personnel and unskilled, underemployed groups may be perpetuated, unless specific efforts are made to provide training and job opportunities for local residents.

At the same time, the ancillary effects of the strategy to encourage further industry-related servicing and manufacturing will broaden occupational choice to some degree. Again, however, comprehensive efforts, including appropriate skill-training and affirmative-action programs, will be required to ensure that the employment benefits of economic development are made

available to the region's residents. Also, as has been emphasized by the Quetico Committee on Getting and Holding Manpower, continuous cooperation and consultation between local industry, Canada Manpower, the province, and educational institutions will be required in developing programs to meet the region's manpower needs.

6. Community Development

An important goal of the economic development strategy is to maintain and improve the quality and efficiency of services in the region's communities. In support of this aim, the province will continue its policy of expanding existing communities wherever possible, as opposed to creating new population centres. In addition, it will be necessary to arrive at a clearer determination of public and private responsibilities for the provision of services in resource-based communities. These and related community settlement matters are developed more fully in Chapter 7 of this document.

The economic development strategy outlined in the preceding pages is a broad framework within which, it is suggested, government policy and programing initiatives and private sector investment decisions should operate in the future. Moreover, there are broad social issues of concern to the Northwest that relate only in part to the economic development approach to be taken in the region. The following sections of this report identify many of these issues and their related program and policy implications for the future.

7. Native People

A strategy of mixed growth based on natural resources would continue to create employment opportunities in many areas with concentrations of native people, while at the same time allowing for due consideration of the concerns of native people regarding land and resources.

Chapter 4

Resources Development

Introduction

The Resources Policy Field is concerned with the planned development of provincial resources. As originally established in 1972, this policy field comprised the Ministries of Agriculture and Food; Environment; Industry and Tourism; Labour; Natural Resources; and Transportation and Communications. The new Ministry of Energy was included within the policy field in 1973, and the Ministry of Housing in 1975.

Each of the constituent ministries has its own perspective on regional problems and the means of solving them. At the same time, they share some common concerns, which link their respective approaches to regional development. In the case of Northwestern Ontario, these concerns fall into four broad areas: development of resources, employment, community development, and the environment.

The development of resources, particularly mineral resources, is subject to change in market or investment forces outside the region and, often, outside the country. The region is facing limited mineral development prospects in the immediate future and a possible shortfall in forest production. In addition, conflicts and overlaps have arisen among resource development needs, recreational needs, and environmental concerns.

In the area of employment, there is a gap between job vacancies and the skills available. Further job training is needed to improve local skills and to develop the potential of the female labour force. While programs have been established to deal with these problems, it is still necessary to overcome labour shortages in some sectors and to encourage and increase the participation of native people in the work force.

In community-related matters, there is a need to improve the standard of living, in order to create more stable communities and to assure an appropriate range of accommodation at a reasonable cost. The problems of growing and declining resource communities require particular attention.

Environmental concerns have become more prominent since the publication of the 1970 *Design for Development* report. The government has passed legislation to reduce existing air and water pollution and to prevent further degradation of the natural environment. The main problem is and will be the need to balance environmental concerns with economic needs.

In proposing their various development strategies, the ministries in the Resources Policy Field acknowledge the continuing dependence of the region's economy on the development of natural resources. They also recognize the need to diversify the economic base of communities in the Northwest, and they perceive that the potential exists for such diversification. Certain developments can proceed only on a large scale. At the same time, it should be possible to encourage the establishment of smaller scale operations that are based on local initiative and the application of innovative technologies. These developments may be related to the requirements of large-scale projects or may operate independently of them. The costs of running smaller scale operations may be reduced by sharing common services such as transportation.

In program development and implementation, ministries in the Resources Policy Field will be guided by the following objectives:

- To maintain programs that contribute to a positive and stable climate for further investment;
- To provide for the optimum allocation of land and water resources to serve economic needs, while taking into account various social, physical, and environmental factors;
- To encourage the development of the region's resources through further exploration and research, the initiation of new ventures, and the processing of raw materials;
- To improve basic services such as transportation, communications, and electricity to meet growing needs;
- To improve the availability of local skills through job training programs;

- To establish policies and standards for community development, so that services and housing can be provided at a reasonable cost, and to deal with the social, economic, and physical problems of new or declining resource communities;
- To consider and encourage the application of innovative approaches and technology to solve development problems and reduce costs.
- All lands where soil classes 1, 2, 3, and 4 predominate, as defined in the *Canada Land Inventory* for agriculture. (In the Northwest, such lands include the clay plains around Thunder Bay, around Rainy River and Fort Frances, and around Dryden.)
- Additional areas where farms exhibit characteristics of continuous agricultural productivity.

In recommending these objectives, the government seeks the involvement of the people living in the region. Local knowledge and participation, combined with the technical expertise of the ministries in the policy field, can lead to practical and effective decisions that will provide a basis for satisfactory development and growth.

Agriculture and Food

Provincial Mandate and Policy Focus

The goal of the Ministry of Agriculture and Food is to encourage the responsible development and use of agricultural and food resources for the economic and social well-being of the people of Ontario. The ministry's programs focus on assisting farmers and stimulating the agricultural economy.

Major Issues

There are three issues of particular concern related to agricultural activities in North-western Ontario.

1. Land Use

The area of land in the region with an adequate agricultural capability is limited. Regional and local land-use policies and planning must therefore ensure that as much as possible of the land area now in production or with the capability for production is kept available for farming.

High-capability agricultural lands are considered to include:

- Additional areas in which local market conditions ensure agricultural productivity where it might not otherwise exist. Class 5 lands around Thunder Bay would fall into this category. Although they are not suitable for grain crops, they can produce forage crops, which can be used to feed local dairy and beef cattle.

2. Marketing of Non-dairy Products

Milk is produced in sufficient quantities and distributed effectively within the region to satisfy current demand. Beef calves, however, are usually sent out of the area for finishing, and only a small percentage of the demand for beef is met by local production. Increased transportation and land costs will continue to affect the price of agricultural products. It should be possible, given the potential for agricultural production in the region, to develop the marketing structure so that local produce, particularly beef and vegetables, could supply a larger portion of the local market.

3. Residential Severances and Urban Development

Residential severances, the purchasing of farms by non-farm people, and other scattered urban development, including highways, fragment agricultural operations. The greatest problem, that of severances, is most acute in Paipoonge Township and Oliver Township (particularly the latter), outside Thunder Bay. Since this problem is a local land-use issue, it must be alleviated by committees of adjustment and township, town, and city councils that prepare and are responsible for the administration of planning policies sympathetic to the protection of high-capability agricultural lands.

Program Response

1. Agricultural Representatives

Agricultural representatives are located in Thunder Bay, Dryden, and Emo to provide specific farm production and business management advice. Through these field staff, farmers also have access to livestock, soil and crops, farm business management, engineering, and drainage specialists.

2. The Northern Ontario Assistance Program

This program provides a committee of farmers representing each district with a sum of money to use to increase agricultural production. Over the past few years, roughly 50 per cent of the money has been used to subsidize the importation of fertilizer.

Other programs and legislation of particular relevance to the Northwest are:

- The Northern Ontario Livestock Transportation Policy;
- The Ontario Farm Consolidation and Enlargement Program;
- The Livestock Improvement Program for Northern Ontario;
- The Artificial Insemination of Livestock Act.

For three out of the past four years, to offset the effects of extreme weather conditions, a Hay Transportation Assistance Program has been established to subsidize 50 per cent of the transportation costs of hay imported into the region.

Proposed Strategies for Future Development

The future objective of local farmers and agricultural representatives should be the sorting out of agricultural activities so that agricultural enterprises are able to compete successfully in the market place.

1. Protection of High-capability Agricultural Lands

Municipal councils are encouraged to incorporate the ministry's *Food Land Guidelines*

into their official plans, in order to protect foodlands from non-agricultural intrusions.

2. Alternative Produce

There are several alternatives to dairy and cow/calf beef operations that farmers should consider in their enterprise selection. These options include taking cattle through to heavier weights, using smaller, local slaughterhouses, and raising hogs or sheep (through confined rearing). Market conditions are also favourable for production of such crops as potatoes, sweet corn, asparagus, cauliflower, brussels sprouts, and strawberries.

3. Improved Marketing

At present, the benefits of a good marketing structure are seen in the dairy sector. Because an assured market for their product exists, dairy farmers can afford to institute new practices. On the other hand, beef farmers, although knowing how to increase production, lack a developed market and, as a result, lack the capital to invest in improved production practices.

The first step toward an understanding of and strategy for the development of local markets for northern agricultural products was taken in the fall of 1977. The Ministry of Northern Affairs decided to commission a study which, according to its terms of reference, a) will attempt to identify the factors inhibiting the marketing of locally grown produce within Northern Ontario and b) will propose possible production-marketing systems designed to solve some of the problems identified.

4. Pasture and Forage Management

Pasture and forage management are to be encouraged. It is hoped that an emphasis on better management, the accumulation of reserves in times of good weather, and the pursuit of the other objectives outlined above will reduce the future need for large infusions of direct financial assistance, such as the Hay Transportation Assistance Program.

When examining the state of agriculture in the Northwest, it must be realized that the production capability of the area is far

beyond that which is presently being attained. However, if the land resource is protected, with good farm management, wise enterprise selection, keen entrepreneurial skills, and a sound market structure, the potential of the region should begin to be realized.

Energy

Provincial Mandate and Policy Focus

The Ministry of Energy was established in 1973 to develop and implement a provincial energy policy. This policy is designed to ensure that Ontario consumers receive an adequate and secure supply of energy at reasonable prices, with an acceptable environmental impact.

The ministry has four components: a Ministry Office and three agencies reporting to the Minister: Ontario Hydro, the Ontario Energy Board, and the Ontario Energy Corporation.

Major Issues

Four main issues have been identified concerning the supply and use of energy in Northwestern Ontario.

1. Availability and Price of Energy

Uncertainty over the long-term availability and price of energy is a matter of concern in the Northwest, as in all regions of the province.

2. Ontario Hydro Expansion

Expected growth in electric power demand necessitates expansion of the Ontario Hydro system, and some of this expansion will take place in Northwestern Ontario. Concerns regarding the choice of sites for generation and transmission facilities and, in particular, about the impact of such projects on communities and the environment must be reconciled with the need to maintain energy supplies.

3. Impact of Natural Gas Resource Development

Development of natural gas resources in Canada's frontier regions may require expansion of existing natural gas transmission systems in Northwestern Ontario and, in the case of the Arctic Islands development, would require construction of a completely new pipeline (the Polar Gas pipeline), which could pass through Northwestern Ontario. The Government of Ontario would have to be assured that the impact of any such construction would be acceptable.

4. Energy Prices

Some energy prices, and particularly gasoline prices, are high in areas of Northwestern Ontario, as compared with other parts of the province. The differential primarily reflects the cost of transportation and higher retail dealer margins in the region.

Program Response

1. Federal-Provincial Discussions

The Ministry of Energy has taken a strong stand at federal-provincial energy pricing conferences to protect the interests of the consumer and to ensure that appropriate investments are made in the development of new energy supplies.

2. Research, Development and Demonstration

The ministry has initiated projects relating to the energy needs and outlook in all regions of Ontario. The following projects could produce results of particular relevance to Northwestern Ontario:

- The application to northern conditions of wind/diesel hybrid generating systems;
- The engineering design of an energy facility for Hearst (in Northeastern Ontario), which would use wood waste and municipal refuse to generate electricity and steam;
- A review of the potential of biomass (forest products) as raw material in the production

of methanol. The final nature and location of any future projects relating to the use of biomass as an energy source will probably depend on the outcome of the review.

3. Northern Electrification

Ontario Hydro provides subsidized service in some remote northern communities, as follows:

- The Ontario Government Program for the Electrification of Remote Northern Communities is a three-year program affecting non-Indian communities having at least 25 year-round customers;
- The Department of Indian and Northern Affairs/Ontario Hydro Indian Community Electrification Program applies to remote Indian communities;
- The Ministry of Transportation and Communications/Bell Canada/Ontario Hydro Telecom Power Program provides communications facilities in remote Indian communities. Diesel power for these facilities is supplied by Ontario Hydro.

Proposed Strategies for Future Development

The Ministry of Energy document entitled *Ontario's Energy Future*, released in April 1977, outlines the basis of future energy planning in Ontario.

The following areas of activity pertain to the Northwest.

1. Natural Gas Resource Development

The Ministry of Energy is participating in natural gas resource development in frontier regions through the Polar Gas Project, an investigation of the feasibility of transporting Arctic Islands natural gas to market. The ministry also is coordinating the defining of the Ontario Government's position concerning frontier natural gas resources.

2. Petroleum Prices

The ministry is exploring with the petroleum industry ways in which increased efficiency can reduce the unit costs of petroleum products in Northern Ontario.

3. Ontario Hydro Development Plans

Fossil-fuelled Generating Stations:

Ontario Hydro's program includes expansion of the existing fossil-fuelled generating station at Thunder Bay and construction of a fossil-fuelled generating station at Atikokan. The Thunder Bay expansion is under way, and construction of the Atikokan Station will commence in 1978. First power from these projects will be delivered in 1980 and 1983, respectively.

Development of a Long-term System Expansion Plan:

Ontario Hydro is formulating a long-term plan to meet expected growth in electricity consumption in Northwestern Ontario beyond 1983. Alternatives being considered are:

a) Development of the region's electric power system so that it remains essentially independent of the system supplying the remainder of the province. This alternative would require the construction of several new thermal generating stations over the next 20 years.

b) Development of the region's electric power system so that it becomes integrated with the system supplying the remainder of the province. This alternative would require the construction of high-capacity transmission lines from Thunder Bay to the east and would permit construction of fewer, albeit larger, generating stations in Northwestern Ontario in the future.

The study includes consideration of the possible future development of major hydroelectric potential in the region. Also, Ontario Hydro is currently assessing the province's small hydroelectric power sites to determine their potential for development.

Citizens' groups from both Northeastern and Northwestern Ontario have been involved in the examination of power development options, to ensure that their interests will be taken into account when choices and decisions are made.

Environment

Provincial Mandate and Policy Focus

The main concerns of the Ministry of the Environment in Northwestern Ontario, as in the rest of the province, are related to economic development and the implementation of pollution control programs. The climate, terrain, ecological conditions, the resource development base for industry, the attitude and aspirations of the people, and economic factors, all create special problems for program implementation.

Major Issues

Six major issues have been identified within the ministry's area of responsibility.

1. Impact of Economic Development

In the past, development in general was permitted to take place without an awareness or understanding of environmental consequences. Current pollution problems stem from these deficiencies, which continue to exist and hamper the ministry in both its abatement and prevention activities. The pollution of natural resources resulting from industrial development still has to be remedied, even though significant improvements have been made in some areas.

In considering new development, compromises and trade-offs will have to be made. Economic benefits should not always take precedence, particularly when such benefits are short-term and the damage to the environment will be great and of a long-term or even permanent nature. Application of The Environmental Assessment Act of 1975 to environmentally significant undertakings will provide a means for dealing with this issue.

2. Water Quality

Pollution of natural water resources is a major problem in the Northwest, although water quality has improved over the last

few years. Pollution continues because of the complexity of the problem, the costs of rectification, and the attitudes of polluters. In general, the pulp and paper industry is the major contributor to water pollution, but in some areas pollution also results from disposal of mine and mill waste and from inadequate sewage treatment facilities.

The ministry's Abatement Program to deal with water-quality problems and to initiate corrective efforts is being intensified. Even with this intensification, it will be some time before individual industrial abatement programs will effectively overcome existing problems. Other pollutants not unique to the north, such as polychlorinated biphenyls, airborne phosphates, and other substances, also will have to be dealt with.

3. Air Quality and Noise

Air pollution is a serious problem in some areas. The major regional contributors are the grain elevators in Thunder Bay and a number of pulp and paper mills in various locations. Some "carry-over effects" (such as those associated with polychlorinated biphenyls, heavy metals, and phosphorus) from sources in the United States and other parts of Ontario have been identified as affecting this region. Noise is not a problem except in some localized situations.

4. Servicing

Servicing by both private and communal or municipal facilities often presents engineering and financial problems. In the north, climate, terrain, soil conditions, and distance combine to make costs higher than are usually encountered in the south. Isolated, small, and dormitory communities have a low tax base and thus find it difficult to meet the costs of developing a service system. Resource-based communities may present problems because of uncertainty about the continuance of the resource industries that support them.

Unorganized territories present special problems, because they have inadequate facilities to remedy pollution and they lack municipal organization to deal with the situation. This problem is now being analyzed with a view to suggesting administrative changes that may provide a means for positive action in the future. Declining

communities also pose problems, because of uncertainty about the future and the difficulty of financing capital works.

To deal with the need for municipal services to meet environmental needs, amendments will be made to existing legislation, providing municipalities with provincial financing and assistance to develop alternatives to traditional treatment systems, particularly in smaller communities.

The ministry's new financial assistance program will, in part, aid the renewal and repair of private systems in small communities, where this would provide a cost-effective way of resolving health and environmental problems. For communities that apply, grant approval will be based on the severity of problems as well as other considerations, such as soil suitability, groundwater availability, and the community's capacity for future growth. The grant system is meant to encourage communities to retain primary responsibility for the provision of services.

5. Solid-waste Disposal

Improvements in solid-waste disposal in the region are required in order to meet ministry standards. Lack of finances in many communities makes it difficult for them to manage their waste-disposal sites properly. Attitudes of apparent indifference to improperly managed and maintained sites, which seem to be more prevalent in the north than in the more densely populated south, compound the problem.

6. Private Resource Development Proposals

The lack of a coordinated process for dealing with proposals involving resource development means that the private sector has no framework within which to plan and implement projects.

Program Response

To accomplish its goals, the ministry has established three broad programs that are relevant to the formulation of the North-western Ontario Regional Development Strategy.

1. Environmental Assessment and Planning

The Environmental Assessment and Planning Program assesses the current and potential effects of various pollutants (including noise), develops environmental standards or criteria, and ensures that environmental safeguards are incorporated into land-use policies. Applied research in the areas of water and waste-water treatment also is undertaken.

Specific activities include:

- The administration of The Environmental Assessment Act, which now applies to designated new provincial projects and will eventually apply to municipalities and the private sector;
- Reviews and comments on environmental aspects of land-use planning matters;
- The application of national baseline requirements under The Canada-Ontario Accord for the Protection and Enhancement of Environmental Quality at the inception of all new installations or installations undergoing major plant modifications;
- The establishment of water quality objectives for the Great Lakes and the attainment of these objectives pursuant to the Agreement Respecting Great Lakes Water Quality.

2. Environmental Control

The Environmental Control Program ensures that all contaminants emitted into the environment are within ministry standards or criteria by on-site surveillance and inspection, the implementation of new abatement programs, the issuing of control orders and the undertaking of prosecutions, and the investigation of complaints.

Specific programs include:

- The regular surveillance of industrial activities and enforcement of existing standards and programs with respect to air, water, and solid waste.
- The negotiation with industry of new abatement programs and their implementation.

- The development and management of sewage and water treatment plants.
- The development of methods to be used for sewage and water treatment and of analytical methods for measuring existing and newly emerging pollutants. (The ministry has limited funds available for this program.)
- Supplementing ministry programs with projects funded through the Regional Priority Budget. Further assistance may also be possible in the future with the new Isolated Communities Assistance Fund.
- The administration and enforcement of Part V of The Environmental Protection Act, and the regulations dealing with waste management (Ontario Regulation 824 General and Ontario Regulation 687-76 Containers). Improvement of municipal solid-waste management systems and control of contamination from landfill sites come under this program.
- The provision of subsidies to Provincial Health Units carrying out delegated responsibilities under Part VII of The Environmental Protection Act.

The order of priority for industrial abatement activities and for initiating or undertaking sewage treatment and/or water supply projects by the ministry is: the removal of health hazards, environmental protection, and community enhancement. However, in order to allow for the continuity of projects and recognition of provincial government objectives in Northwestern Ontario, there is some flexibility in the application of this policy.

3. Resource Recovery

The Resource Recovery Program involves the development of a provincial policy for the recovery and use of the components of solid waste. It also aims at the development of specialized techniques for the restoration and enhancement of environmental quality by recycling materials.

Within the above-mentioned three broad programs some activities of particular relevance in the context of the Northwestern Ontario Regional Development Strategy are:

- Water assessment and water modelling;
- Air monitoring;
- Review of various land-use proposals;
- Application of the Agricultural Code of Practice (of less significance in Northwestern Ontario than in other regions);
- Application of the Model Municipal Noise Bylaw;
- The preparation of guidelines for a review of environmental assessment;
- Establishment of a public participation process for Ministry of the Environment projects.

Proposed Strategies for Future Development

The ministry's objectives, policies, and programs are not likely to change significantly in the foreseeable future, although adjustments will probably be made to reflect changes in sources and degree of pollution, in technology, and in government policies and programs. This ministry is reviewing its criteria for water quality and its requirements for pollution control and will take into account the effects of materials entering water from airborne sources and land drainage.

The environmental assessment process, which is only now getting under way, will play a large part in influencing the development of the Northwestern Ontario Region.

Housing

Provincial Mandate and Policy Focus

The objective of the Ministry of Housing is to facilitate community development and renewal, in order to ensure an adequate

supply of affordable housing of appropriate tenure, where and when it is needed, within a satisfactorily planned environment of complementary facilities and services, and in conformity with provincial objectives.

Major Issues

Eight issues related to housing are perceived to be of particular concern in Northwestern Ontario.

1. High Cost of New Housing

The high cost of new housing in Northwestern Ontario is attributable in part to:

- The extremely high cost of installing piped services in bedrock;
- The lack of sophisticated builders and skilled tradesmen outside the largest urban centre;
- High transportation costs;
- Higher interest rates for funding of developments in small, isolated communities;
- The strong preference of the region's residents for low-density, detached housing.

2. Shortage of Rental Housing

The proportion of rental to total housing in Northwestern Ontario is lower than the provincial average. This fact is attributable to the rural character of much of the area, the predominance of small centres, and the cyclical nature of the resource industries. Outside the largest centres, these conditions, taken together, do not create an attractive investment environment for private rental housing.

High labour-turnover rates, seasonal employment, and mobile elements of the population create a demand for rental housing in the smaller communities which is not being met. Experience has also shown that, despite good incomes, those wanting rental housing are not willing to pay market rents for adequate housing.

3. New and Greatly Expanded Resource Communities

The planning and development of new and greatly expanded resource communities pose a special challenge. In most instances, the resource companies are ill-equipped for

such undertakings. Strong provincial leadership has significant potential for reducing many of the negative aspects of company towns.

4. Housing in Resource Communities

Housing subsidies are normally provided for employees of resource companies regardless of income. Such paternalism is, however, undesirable; and in any case it excludes non-resource-industry employees who are essential to the operation of the communities' service sector. Experience has indicated that solutions to these problems can be worked out most satisfactorily within the context of specific situations.

5. Declining Resource Communities

Communities based on a depletable resource will inevitably lose their economic base. With the closing of the mine or mill, the residual residents and the government face a dilemma: is it better for the government to provide a minimum level of services, risking the possibility that the residents will become locked into a marginal economic and social existence; or is it better for the government and the residents to accept the short-term cost of phasing out the community and to assist the residents' relocation to viable communities? Each case is unique and requires detailed analysis of the social and financial benefits and costs.

6. Inadequate Housing in Remote Locations

Residents of remote areas often suffer from seriously substandard shelter.

7. Local Government

Small municipalities usually lack the administrative and financial resources to undertake the community planning, housing development planning, and development control administration necessary for the effective implementation of provincial planning and housing programs.

8. Overlap in Approvals Process

When considering development proposals, the approvals process is an effective mechanism whereby practical trade-offs can be made between differing objectives. However,

when there are major policy or procedural conflicts, either between public and private interests or between provincial ministries, the system is cumbersome. The resulting delay is particularly serious in the Northwest, since the housing market is limited and the building season is short.

Program Response

With few exceptions, ministry programs, in their initiation and their delivery, are dependent upon local government for:

- The preparation of official plans and land-use controls;
- The administration of local elements in the planning and development approvals process;
- The determination of needs for local housing, rehabilitation, serviced land, and provincial programs of assistance; and varying degrees of participation in the financing and administration of provincial programs.

1. Community Planning

The Community Planning Advisory Branch was established in 1975 to assist municipalities in dealing with planning matters. A branch office is located in Thunder Bay.

It is anticipated that the next stage of the review of The Planning Act will provide for a community planning system that will be increasingly responsive to the specific needs of Northwestern Ontario.

2. Housing Policy

In 1974, the Housing Policy Statement Program was introduced to encourage municipalities to determine their housing needs. The program is now being expanded, so that municipalities may forecast the need for all privately produced and socially assisted housing, and plan for and monitor its production on an ongoing basis.

3. Home Renewal

The Ontario Home Renewal Program (OHRP) was designed to assist in the upgrading of substandard housing. In the three Northwest districts, OHRP funding

has not been sought and applied in proportion to the relative need of the area. The low level of participation in the program is attributed primarily to the administrative limitations of small communities.

4. Rural and Native Housing

The Federal-Provincial Rural and Native Housing Program is geared to the specific needs of rural and remote communities.

Proposed Strategies for Future Development

1. Assistance to Small Communities

There is a recognized need for administrative and other assistance to communities of under 5,000 inhabitants, so that they can participate more fully in available housing programs. The Ministry of Housing is improving its capability to provide such help.

2. Land-use Planning and Municipal Service Standards

New standards for land-use planning and municipal services are described and quantified in the recent ministry publication, *Urban Development Standards, a Demonstration of the Potential for Reducing Costs*. There is a need to evaluate the potential of these standards for achieving cost savings in Northwestern Ontario. To this end, the Ministry of Housing will cooperate with the Ministry of the Environment in the formulation of an experimental program in new or existing communities to advance the technology of selected servicing systems, test their performance, and develop cost data.

Industry and Tourism

Provincial Mandate and Policy Focus

The Ministry of Industry and Tourism seeks to provide a favourable environment for the development of manufacturing and service industries, trade, and tourism. The ministry's role in Northwestern Ontario is to act as a provider of services to businessmen, with the objective of developing a strong competitive manufacturing base, increasing

export and tourism revenue, developing service industries, and enhancing small business enterprises. Consulting and financial services are provided through the ministry's field offices and through the Northern Ontario Development Corporation (NODC).

a) Industry

Major Issues

As a general rule, Northwestern Ontario is subject to the same market forces determining location of manufacturing as those affecting industries in the south. For this reason Southern Ontario will probably continue to be the location preferred by investors in secondary manufacturing. The question to be answered is: "What cost or supply advantage can be provided or used in Northwestern Ontario?"

1. Manufacturing Opportunities

Manufacturing opportunities will probably continue to be oriented to:

- Supplying the needs of the primary resource industries;
- Supplying consumer markets in the larger urban communities;
- Further processing of natural resources in the region.

A prime objective should be to determine how resources may be further processed in the region.

Two other areas of manufacturing opportunity need to be investigated. First, companies now producing transportation and material handling equipment may be good candidates for future growth, if production can be geared to a wider market, including exports. Second, manufacturing industries may be encouraged to locate to capitalize on the female labour potential.

While the ministry promotes industrial development in dispersed communities, through various development activities and financial incentives, it must be recognized

that these activities must work within the overriding constraints of the business climate. In the final analysis it is the private investor who decides which location is most advantageous to his business enterprise. For this reason the stimulation of secondary manufacturing is likely to be most successful in urban centres.

2. Manpower Resources

In many communities (such as Terrace Bay, Dryden, and Thunder Bay) there is a need for skilled labour, especially in the forest industry. The issue is one of attracting and holding labour. There is a need to encourage potential employees to move from small, isolated communities where underemployment is high to areas where jobs are available. There is also a need to develop suitable work opportunities for native people.

3. Local Initiatives

Stabilized communities such as Kenora and Fort Frances need to identify and encourage new investment opportunities in order to maintain the economic base of these communities. Initiatives for business development must come from local residents and businessmen who possess detailed knowledge of their communities. The ministry can then help in furthering these initiatives.

Program Response

1. Ministry Services

Through its area and district offices, the ministry provides a full range of consulting services on industrial topics and projects such as location, diversification, marketing technology, management and financing, layoffs and closures, manpower, import replacement, and company inventory.

The ministry also provides information and planning assistance to municipalities interested in developing industrial parks under the Ontario Industrial Parks Program (OIPP). Seminars on topics such as wood-waste management and energy conserva-

tion are made available through the use of the energy bus. In conjunction with Lakehead University, a small business assistance program has been established to provide business management consulting to small businesses. In addition, through the Ontario Research Foundation, a facility is available to undertake confidential research and development projects for individual companies.

2. Financial Aid

Financial aid under various loan programs is available through the Northern Ontario Development Corporation (NODC) for projects initiated by businessmen. The Ontario Business Incentive Program (OBIP) provides financial incentives to manufacturers locating or expanding in the north. Since its inception in 1973, the NODC has provided financial assistance of some \$33 million to over 200 firms in Northwestern Ontario. The role of the NODC is being evaluated with a possible view to broadening and liberalizing lending activity in keeping with northern development requirements.

b) Tourism

Major Issues

The Northwest Region has valuable potential for tourism development. The main issues related to such development fall into six areas.

1. Improvement of Facilities

Continued improvement of existing tourism facilities is a concern of this ministry. The better lodges seem to be expanding slowly, while the poorer, smaller ones are closing down. The aim of the ministry is to help the more successful resorts attract and hold a higher-spending clientele at justifiably higher prices. Current higher costs present this industry with a serious problem in maintaining competitive prices.

2. Mercury Pollution

Mercury pollution is a complex issue and needs to be treated with care. Remedies should be devised to deal with particular pollution problems in specific locales.

3. Minaki Lodge

Minaki Lodge is well known and has the potential to become a major attraction in Northwestern Ontario. It can both offer a pleasurable vacation experience and provide ancillary benefits to surrounding tourism investments. However, Minaki Lodge presently lacks adequate accommodation facilities, and further development has been deferred, because of government budgetary constraints. The ministry is seeking a satisfactory disposition of the property involving private investment.

4. Hunting and Fishing Resources

The hunting and fishing resources base needs management practices that will add more value to the resources in order to both attract tourists and cause them to spend more in the area. Discrimination against non-resident use of fishing and hunting resources can have a negative effect on attracting tourists.

5. Seasonal Adjustment

There is a need to recognize the seasonality of many tourism enterprises. The challenge is to design, construct, and operate tourism facilities that yield adequate returns on a seasonal basis.

6. Opportunities for Native People

There appear to be opportunities for native people in regional tourism development related to their cultural traditions.

Program Response

The ministry undertakes:

- Tourism advertising campaigns in the domestic, American, and overseas markets encouraging visits to the region.
- A wide range of consulting services to tourist establishment operators through the field offices of the Tourism Division.

- Provision of financial aid to tourism facility operators through the NODC's Tourism Loan Program.
- Support of the Ontario Travel Association Program.
- Operation of travel information centres at Pigeon River, Kenora, Fort Frances, and Rainy River.
- Distribution of *Framework for Opportunity*, a guide prepared by the ministry for use by private investors, describing tourism development opportunities through the province. More detailed analysis of specific regions is under way.

Labour

Provincial Mandate and Policy Focus

The Ministry of Labour is responsible for activities relating to industrial relations, employment standards, women's issues and programs, human rights, and occupational health and safety. The Minister of Labour is also responsible for the Workmen's Compensation Board and chairs the Ontario Manpower Co-ordinating Committee. Matters of particular concern in Northwestern Ontario are those related to manpower, women's issues, human rights, and occupational health and safety.

a) Manpower

Major Issues

The Ontario Manpower Secretariat provides staff support to the Ontario Manpower Co-ordinating Committee and is responsible for Ontario's participation in the Community Employment Strategy. Through contact with local groups, particularly the Quetico Committee on Getting and Holding Manpower, the ministry has identified four main issues in the manpower area.

1. Employment Opportunities

There is a strong concentration of employment in the primary resource industries (mining and forestry) and related manufacturing industries in the Northwest. Substantial numbers of people who are not suited for this type of employment are jobless or underemployed. As a result there are pockets of settlement in the region where the population relies heavily on government income support programs.

2. External Recruitment of Labour

The recruitment of labour often occurs outside the local employment area (for example, woodlands workers are recruited from Northeastern Ontario). In many instances, companies have not been successful in employing native people.

3. Skill-training Facilities

Local groups in the region have suggested that skill-training facilities are often inappropriate, unavailable, or inaccessible to local employers and the existing or prospective labour-market participants who need them.

4. Accommodation and Amenities

A lack of adequate basic living accommodation and social and recreational amenities in communities impairs the region's ability to recruit skilled manpower. Inadequacies in this area can be attributed directly to poor planning and an insufficient municipal tax base.

Program Response

The Ontario Government is making a concerted effort to understand better the causes of manpower problems in the province and to develop solutions to these problems. Specific initiatives have been taken to assist program managers and improve the delivery of manpower-related services in Northwestern Ontario.

1. Community Employment Strategy

The Community Employment Strategy is a joint federal-provincial program designed to facilitate the entry into productive employment of people who are dependent on some form of government income support. The strategy is a planning and coordinating mechanism based on the principle that the identification of, and solutions to, local employment-related problems can best be achieved by the involvement of members of the community. The program also aims at achieving maximum efficiency in the application of other government-sponsored, employment-related programs.

2. Manpower Research

In April 1975, the ministry's Research Branch initiated the Northwestern Ontario Manpower Adjustment Study. The study is funded through the Regional Priority Budget under the Canada-Ontario Interim Northlands Subsidiary Agreement. The purpose of the project is to examine present and anticipated imbalances between labour supply and demand in Northwestern Ontario and to explore various problems related to labour market adjustment, such as labour turnover and out-migration.

This project consists of the following ten component studies:

- An Economic History of Northwestern Ontario.
- Projections of Labour Supply by Occupation in Northwestern Ontario, to 1981.
- Projections of Enrolment and Graduations from Secondary and Post-Secondary Institutions in Northwestern Ontario, to 1981.
- Labour Market Intentions of Graduating Students from Post-Secondary Institutions in Northwestern Ontario.
- Projections of Total Labour Force in Northwestern Ontario, to 1981.
- Results of a Manpower Survey of the Mineral and Forest Products Industries in Northwestern Ontario.

- Projections of Manpower Requirements by Occupations and Industry for Northwestern Ontario, to 1981.
- Aspects of Migration in Northwestern Ontario, 1966-71.
- Why People Move from Northwestern Ontario.
- Labour Turnover and Absenteeism in Selected Industries in Northwestern Ontario and Ontario.

b) Employment of Women

Major Issues

Major issues related to women in Northwestern Ontario generally apply throughout the province. Essentially, they focus on the employment status and needs of women in the labour force.

1. Employment Opportunities

The rate of participation of women in the labour force is relatively low in Northwestern Ontario, as compared with other parts of the province, mainly because there is a shortage of job opportunities in traditionally female job areas. Further, the persistence of outmoded attitudes towards women and work has tended to restrict the entry of females into a broad range of occupations.

2. Educational Programs and Support Services

The region lacks human and financial resources with which to develop and run special pre-employment and skill-training programs for women. In addition, distances to travel within the region make existing retraining and continuing education programs inaccessible to many women. While this is also a problem for men, it is heightened by the region's low female labour force participation rate. Finally, the region has limited support services required by working women, such as day-care facilities.

Program Response

Three types of programs have been established to address the issues identified above.

1. Dissemination of Information

Ministry publications on labour legislation, including publications in the Cree language, are distributed, workshops designed to heighten understanding of labour legislation are offered, and staff assistance is given to Confederation College. Further, a policy has been established that no speaking engagement in Northern Ontario shall be refused.

2. Occupational Opportunities

Through its affirmative action program, the ministry is working with a number of companies to broaden the range of occupations open to women.

3. Women's Bureau

The establishment of a Northern Office for the Women's Bureau is being considered.

c) Human Rights

Major Issues

A principal concern of the ministry with respect to the development of Northwestern Ontario is its involvement with native people in matters pertaining to human rights. This involvement has primarily taken the form of attempting to facilitate the delivery of services provided by the Ontario government and by voluntary organizations to native people.

1. Employment of Native People

Because of historical disadvantage, native people have had difficulty in acquiring the formal education and technical skills necessary to be competitive in an industrial economy. Also, as a result of prejudice and discrimination against them, native people have been further isolated from entry into the work force. These factors, combined with poor employment opportunities, have led to underutilization of native manpower resources in Northwestern Ontario. Section 6(a) of the Ontario Human Rights Code provides for approval of special employment programs to increase minority employment. Expansion of affirmative action programs would help to overcome the problem and

make the labour market more accessible to native people. A lack of resources to advance group rights has, however, prevented use of this section; and as a result, the ministry's activities in the region have been restricted mainly to investigations of individual complaints about compliance with the code.

2. Decision-making by Native People

Native people's organizations want the opportunity to identify land-use requirements and to formulate policy that will guarantee the survival of native culture, protect and perpetuate traditional modes of work, and ensure that economic development benefits native people.

One of the main concerns of native people is the lack of sensitivity to native language and culture exhibited by persons who provide educational, vocational training, and counselling services. In addition, native people are seeking a larger role in decisions that affect them in the area of law enforcement.

Program Response

1. Human Rights Code

The ministry enforces the Human Rights Code to prohibit discrimination in access to employment, housing, services, and facilities.

2. Community Relations

The ministry is involved in a variety of community relations activities. These include bringing together committees with representation from local Indian Bands, voluntary organizations, and provincial government ministries; facilitating contact between these committees and the Ontario Provincial Police; and hearing grievances against various levels of government and employers of native people.

3. Employment Standards for Native People

The ministry is involved with the Northern Ontario Tourist Operators Association in activities related to the inclusion of hunting and fishing guides under Employment Standards and human rights legislation and to improve treatment of native employees.

Proposed Strategies for Future Development

Responsibility for the resolution of human rights issues is shared by many ministries and agencies. The Ministry of Labour, through its human rights officers, will continue to function as an advocate and facilitator. However, comprehensive action is required to resolve the problems that have been identified.

If resources were available, the ministry would extend its activities in three main areas. First, it would establish a storefront office in Kenora, to handle grievances reported by native people. Second, it would expand its program of public education and affirmative action, to make employers aware of the employment problems of native people. And third, it would expand its community education program on inter-group relations, to increase awareness in Northwestern communities of the particular concerns of native people.

d) Occupational Health and Safety

The Ontario government decided in the fall of 1976 to accept the Ham Commission Report¹² and to establish a new and integrated Occupational Health and Occupational Safety Division within the Ministry of Labour. The principal objective of this new division is to reduce economic and social losses resulting from occupational health and safety hazards.

Essentially, the division will endeavour to meet this objective by providing a preventive, advisory, and supervisory service, aimed at investigating, evaluating, and monitoring occupational health and occupational safety hazards, with a view of reducing, controlling, and ultimately eliminating them. This service will be made available to industry and occupational groups throughout Ontario. The division also will be concerned with promoting the establishment and encouraging the development of occupational health services within industry, with a view to maintaining the health and safety of the work force and providing for a safe and healthy occupational environment.

The division is still in the process of being established and developing its programs. So far, its concerns in the Northwestern Ontario Region have been centred on mining and logging operations, since there is a concentration of these industries in the north.

- Program initiatives in these areas will include:
- Development and dissemination of information on the state of occupational health and safety in the province;
 - Development and institution of new legislative standards, guidelines, codes of practice, and schemes of practice;
 - Development of expanded capability to audit health and safety in mines, pits, quarries, and metallurgical plants;
 - Institution of reviews of mines while proposed developments are still at the initial planning stage;
 - Contribution to the development and implementation of modular training for miners.

Although the Ham Commission recommendations were specifically directed to the mining industry, the division is studying the extension of appropriate recommendations to other industrial sectors as well, in a province-wide effort to improve the state of occupational health and safety.

¹² Report of the Ontario Royal Commission on the Health and Safety of Workers in Mines (Queen's Printer, 1976).

Natural Resources

a) Forestry

Provincial Mandate and Policy Focus

The Ministry of Natural Resources is responsible for the management of the province's natural and outdoor recreational resources. The ministry is also responsible for the administration of the Crown Land that was relieved of the aboriginal interest held by the Indians in the Treaties of 1850, 1873, 1875, 1905, and 1929. Its staff, together with Northern Affairs officers, are often the only government representatives accessible to people of the region, especially to those living in small communities.

The ministry has a long-standing involvement with the environment, and certain specific responsibilities related to the protection of the environment have been assigned to it. The Game and Fish Act allows for the protection and management of wildlife and fish habitats, as well as the management of animal populations, and The Endangered Species Act provides for the protection of designated species and their habitats. The ministry also has a program to identify ecologically sensitive areas throughout the region. Standards set by the Ministry of the Environment automatically become the minimum standards of the Ministry of Natural Resources.

In 1976 the ministry established an Office of Indian Land Claims to deal with the concerns of Indian people related to their need for and claim to lands in Ontario.

To ensure optimum allocation of resources, land, and water, the ministry is coordinating its land-use programs through the Ministry of Natural Resources' Strategic Land Use Plan. The objectives and policies of this plan will specify the role to be played by the ministry in achieving the government's objectives for Northwestern Ontario. The ministry has just released for public consideration the policy proposals to be used in the development of the plan itself, and it is expected that the plan will be completed by the spring of 1978.

Major Issues

In the Northwest, the ministry is concerned with two aspects of forestry: the regeneration of forest resources for future production, and the protection of existing resources from damage or depletion by natural and other hazards.

1. Forest Regeneration

The planned expansion of the forest industry, the expansion already under way, and the existing level of production will together create annual wood requirements of 5.5 million cunits.¹³ This volume approaches the total annual allowable cut (all species) for the region. The present forest production target¹⁴ aims at the regeneration of 3.5 million cunits in perpetuity after the year 2020. To achieve this present forest production target, the 1975 expenditure of \$2,500,000 for forest regeneration must be doubled, and this level of expenditure maintained on an annual basis. In order to sustain the anticipated future demand after the year 2020, the present forest production target must be increased above 3.5 million cunits. A review to determine both the size of the increase and how it might best be achieved is now under way within the ministry.

2. Protection of Forest Resources

In the past three years a total of 1.1 million acres of forest land was burnt. If losses of this magnitude were to occur in areas where marketable and potentially harvestable resources exist, the future development of forest industry in Northwestern Ontario could be seriously curtailed. In an attempt to keep the loss of marketable timber within

¹³ 1 cunit = 100 cubic feet.

¹⁴ A forest production target is a commitment to supply money and staff for forest regeneration in order that a specific number of cunits of wood can be harvested in perpetuity.

acceptable limits, a significant budget increase was allocated to fire prevention programs for fiscal 1977-78. The extension of efforts in this area is particularly important in view of the drought of recent years that prevailed in Northwestern Ontario through to the summer of 1977.

As well as preventing loss by fire, the ministry is concerned with ensuring that no large areas of productive forest land be removed from use for "wilderness" or other purposes, without full consideration of the consequences.

Program Response

In 1971 the forest industries provided the majority of the region's industrial jobs, employing about 14,800 people in 10 pulp and paper mills, 60 sawmills, and five plywood and reconstituted-wood plants. Forest operations required a total annual wood harvest of 2,500,000 cunits, and most goods produced were (and still are) exported to the United States.

Since 1971 one new pulp and paper mill has been constructed by the Ontario-Minnesota Pulp and Paper Co. Ltd. at Fort Frances; there have been major expansions of two pulp mills, Great Lakes Paper Co. Ltd. at Thunder Bay and Kimberly-Clark of Canada Ltd. at Terrace Bay; and 11 new sawmills and particleboard plants have been built. This expansion, in addition to the proposed expansion of the forest industry, will create about 4,500 new jobs in the region, as well as an annual wood requirement of 5.5 million cunits.

The 1971 Design for Development outlined a target of 5,000 new jobs in the forest industry by 1991. To 1976 about 1,335 jobs were created; mills now under construction will add 1,675 by the end of 1977; and proposed additional expansion will add 1,500 more jobs. Although it is apparent that this employment target can be met, there is a surplus of jobs in the forest industry that employers have found difficult to fill.

Forestry in the region is still mainly a primary industry. Except for the proposed expansion, most of the allowable cut is allocated. Therefore, few additional jobs will be available unless the industry diversifies into secondary manufacturing.

Proposed Strategies for Future Development

1. Productivity of Forest Resources

Means of increasing the productivity of forestry lands will be explored and implemented. The industry is concerned that some of the methods being considered, which will effectively meet environmental criteria, will increase costs and weaken the competitive position of some companies.

2. Road Construction

Industry expansion and modified harvesting techniques call for expansion of the forest-access road construction program. Roads provide increased access for resource management and expand opportunities for recreational use of the environment. But at the same time they can restrict certain recreational activities and increase costs for the forest industry.

3. Environmental Control of Harvesting

Environmental interest groups and native people are concerned about the detrimental effects of expanded harvesting activity. Their points of view will be considered under The Environmental Assessment Act when it is applied to new private projects, and environmental concerns will be balanced against the need for economic development.

4. Manufacturing of Kraft Paper Products

Recent expansion of the pulp and paper industry has concentrated on the production of kraft pulp, which is subsequently exported for further processing. Although there are substantial drawbacks to domestic processing (such as high costs, and tariff and tax structures), in view of the growing demand for kraft paper products the establishment of a secondary manufacturing industry of this type should be seriously

considered. Existing drawbacks should be studied and ameliorated or eliminated where possible.

5. Expansion of Solid Wood Industry

The principal disadvantages of the further or secondary manufacture of solid wood products are the small market that exists for these products in Northwestern Ontario, and the substantial transportation charges imposed upon semi-manufactured or manufactured goods that are shipped from the region to major market areas. One promising opportunity for industrial expansion is the greater utilization of intolerant hardwood species, such as poplar and birch, for the production of particleboard or for particleboard-veneer composite products, such as roof and floor-sheathing panels or studs.

6. Wood-based Chemical Development

New applications and markets are developing for chemicals found in mill wastes which are further processed and refined. There is potential for development of a wood-based chemical industry in the Northwest, which would not only expand secondary manufacturing but also reduce pollution and generate new employment opportunities.

7. Energy from Renewable Resources

As conventional energy fuels increase in cost, serious consideration is being given to the production of energy supplies from renewable resources, such as fuelwood and methanol (a substance that has recently been examined by both the federal and the provincial governments to assess its potential as an automobile fuel additive). The large underutilized poplar and birch stands in the Northwest, along with forest and mill waste materials, could lend themselves readily to conversion to methanol. Should conventional fuel prices increase at their recent rate relative to the price of wood, and should the value of wood as an energy source become greater than its value as a solid wood or paper product, then the commercial production of methanol from wood could become a viable industry.

b) Mining

Mining is considered to include mining, milling, and the first stages of processing. Raw material is obtained from lands on which the mining rights and necessary surface rights have been leased or transferred from the Crown to private ownership.

Major Issues

The following issues in the ministry's area of responsibility have been identified as being of particular relevance to Northwestern Ontario.

1. Mineral Exploration

The single most important factor affecting exploration for mineral resources is the investment climate. If the financial community does not perceive the expected rate of return, after taxes, to be adequate, investment in exploration activities will be deferred. The mining industry claims that government interference has created an unfavourable economic climate for mining exploration. The alleged interference falls into several areas: the operation of the Ontario Securities Commission, high tax rates, lack of tax incentives, pollution abatement requirements, and restrictions on foreign investment.

The level of exploration activity in Ontario is an important indication of the health of the provincial mining industry. Despite general acknowledgement of the importance of mineral exploration, the level of activity has declined in most areas of Northwestern Ontario since 1972.

The present lack of interest in mineral exploration results mainly from uncompetitive expected rates of return on the capital required to bring a discovery into production. In fact, this factor is more important in reducing exploration than all others combined. Government investment in exploration, directly or through further tax incentives, is not in itself a total solution, although it is helpful. With an adequate expected return on mining investment, such measures will not be needed; without it, they will be ineffective.

2. Availability of Data

In the past, companies have not published all the geological and mineralogical data that they have amassed. Consequently, there has not been a useful accumulation of knowledge, and expensive duplication of research efforts has occurred. In February 1974, *The Report of the Advisory Committee on The Mining Act* recommended that "except in special cases, all assessment work be filed within one year of performance and made public".¹⁵ All exploration data gathered in Ontario within the last 20 years should be made available to the public. Also, research capacity in geoscience and mineral policy should be expanded to increase the effectiveness of existing geoscience and other government programs.

3. Land-use Concerns

The mining industry is concerned about the reduction of the land base available for exploration and development if the government assigns large tracts of land in the region for "wilderness" or other park purposes. The counter-concern of recreationists and environmentalists is that undue emphasis is given to licensing areas for resource production purposes. These concerns will be resolved in the ministry's Strategic Land Use Plan.

4. Development Costs

Two iron-ore operations, Steep Rock and Caland, located in Atikokan, have almost depleted their economically available reserves and are expected to cease operations between 1979 and 1981. Deposits of iron ore are known to exist in the Lake St. Joseph area, as well as north and east of Lake Nipigon, but they are not expected to be developed in the near future because of the high cost of their development compared to other competitive sources and current overcapacity within the industry.

¹⁵ *Report of the Advisory Committee to the Minister of Natural Resources on the Revision of The Mining Act*, (Toronto: Queen's Printer, 1974), p. 13.

Program Response

The 1971 policy statement aimed at creating 2,000 to 3,000 new jobs in the mining industry by 1991. The 500 new jobs created between 1971 and 1975 have exceeded the projected rate of expansion.

In the early 1970s there were 15 producing mines in Northwestern Ontario, employing 3,000 people and making mining the second-largest employer in the region. Their production value was estimated at \$211,800,000 in 1972.

Since 1971 three additional mines have opened, and expansion has taken place in seven existing operations. Between 1971 and 1975, three mines closed and another suspended operations. In spite of these closings there has been a net employment gain in the mining industry of 500 persons from 1971 to 1975.

Proposed Strategies for Future Development

If mining exploration and development are to continue in Northwestern Ontario, there must be a drastic reversal of the investment climate in Canada, as well as continued updating of the data base, new scientific knowledge, and the application of new exploration techniques.

A continuing high level of exploration activity is necessary to support a viable mining industry. The Mineral Exploration Assistance Program (MEAP) is designed to encourage private exploration by providing contributions of one-third of approved exploration expenditures in designated areas. Funds are repayable, contingent upon finding and successfully developing an ore deposit. This program is available in the Beardmore-Geraldton, Red Lake, and Atikokan areas. The ministry is presently considering the benefits that would result from a program budget increase and the expansion of the eligible designated areas in Northwestern Ontario.

In an additional effort to stimulate mineral exploration, a \$500,000 fund is being considered. Its purpose would be to encourage

research by the ministry's Geological Branch and Ontario universities into the origin of mineral deposits in areas of high potential.

It is a policy of the ministry that land will not be withdrawn from staking until mineral potential has been examined. Consequently, lands having high-to-moderate potential will continue to be available for development.

With the exception of gold, most minerals are shipped out of Northwestern Ontario in concentrated form. Experiments are being conducted at the Griffith Mine near Ear Falls to upgrade iron ore to sponge iron. However, the prospect for the construction of additional smelters or refineries in Northwestern Ontario is not bright. The primary factors restraining further processing in the region are the Canadian rail transportation rate structure and the tariff structures that exist in the United States, Japan, and the European Economic Community.

Most of the region's producing mines represent the primary economic base of their adjacent communities. This relationship is expected to be characteristic of future developments in the region as well. The new Union Miniere Mine at Pickle Lake and the planned developments in other more remote areas are examples of activities that naturally foster one-industry communities, along with their characteristic problems. The future of such communities is bleak: once the commercial ore of their mines has been exhausted, there is little to sustain their existence. At the same time, the positive benefits of such developments—the employment created and the contribution to the economy—must be acknowledged. As discussed further in Chapter 7, continuing efforts will be made to ameliorate the difficulties encountered in such settlements.

c) Fish and Wildlife Harvesting

The Ministry of Natural Resources is responsible for the management of resources associated with the commercial fishing industry, wild fur harvesting, wild rice harvesting, and the bait fish industry.

Major Issues

There are indications that fish and wildlife resources are not being commercially harvested to their fullest potential. It is apparent that significant increases can be permitted without endangering the resource base.

1. Seasonal Employment

Commercial harvesting activities provide only seasonal employment, and therefore they generate supplemental rather than year-round income. Young people are not attracted to such activities: the annual income is low; welfare is an available alternative; and the education system does not teach them the skills necessary for occupations such as trapping. An additional discouraging factor is that prices for fish and wildlife products are unstable.

2. Wild Rice Harvesting

Wild rice harvesting is limited by the difficulty of attracting a sufficient number of people to gather the available crop.

3. Commercial Fishing

Commercial fishing activities have recently been hampered by pollution problems. Mercury contamination has reduced the salability of some species of fish caught for the Canadian commercial market and has required certain waters to be closed to commercial fishing.

Program Response and Strategies for Future Development

In 1971, 300 commercial fishing licenses were issued, providing 22,000 man-days of direct employment. The catch of 6.5 million pounds of fish yielded a \$2.1 million income. The bait fish industry provided at least 320 part-time jobs and \$600,000 in income. Wild fur trapping provided 100,000 days of employment and \$650,000 in income to the trappers, even though the harvest was well below the annual harvestable production. Employment of between 400 and 1,000 people in wild rice harvesting for a two-to-three-week season yields, on the average, about 1,000,000 pounds of rice valued at \$2.1 million.

The ministry will be examining ways to encourage significant increases in commercial fish, fur, wild rice, and bait fish production. Policies are being examined to determine an appropriate mix of commercial fishing and sports fishing when both take place on the same waters. From the standpoint of protein production, commercial fishing appears to be a more important activity; but in terms of direct and indirect economic return, the tourism generated by sport fishing is more significant.

d) Provincial Parks

The 22 provincial parks in the Northwestern Region represent less than 20 per cent of the number of provincial parks in Ontario. They do, however, provide a wide variety of recreational settings, ranging from urban day-use areas to wilderness areas such as Quetico Provincial Park. In 1971 these parks contained 2,271 campsites and accounted for about 374,000 camper days.

About 70 per cent of campers using Ontario parks are from Ontario and 30 per cent from outside the province. However, in the Northwest, which is convenient to Manitoba and the American states of Minnesota, Michigan, Wisconsin, Illinois, and Iowa, these figures are reversed, with 70 per cent of the campers coming from outside the province and 30 per cent from Ontario.

Major Issues

Two major issues related to provincial park use in Northwestern Ontario have been identified by the ministry.

1. Preservation of Recreational Land

Residents are concerned that the competing uses of land—recreation versus resource development—will not leave adequate land reserves for future recreational use.

2. Non-resident Use of Facilities

Associated with the issue of land reserves is the concern that provincial parks in the Northwest may be catering largely to the recreational demand of tourists who live outside the province. Already use by non-residents is heavy, and it appears to be increasing. Residents of the province have expressed the view that the tax dollars of the people of Ontario might better be spent elsewhere or that, at the very least, Ontarians should realize appropriate economic benefits from non-resident use of parks.

Program Response and Strategies for Future Development

Ontario's provincial parks are intended to provide a variety of outdoor recreational opportunities and to conserve the province's natural, cultural, and recreational environments. To achieve these objectives, the ministry is developing a parks system to meet a wide range of social, economic, tourism, and recreational needs: opportunities must be provided for day use and family recreation, as well as for scientific research and cultural enrichment.

The ministry's Strategic Land-Use Plan will consider the balance of recreational and resource production use that is appropriate for Crown Lands in the Northwest. In addition, the master plan for Quetico Park recommends that a positive effort be made to improve and direct access to the north boundary of the park. Access point quota systems have been imposed to distribute use within the park.

e) General Recreation

Major Issues

The ministry's concerns in the general recreation area relate to the large and growing popularity of recreational opportunities in the Northwest Region, and the need to balance recreational use against commercial development and the needs of area residents. The total demand produced by tourism expansion, commercial opera-

tions, and residents' use of fish and wildlife resources must not exceed the capability of the lands and waters to produce these resources on a sustained yield basis.

1. Use of Unorganized Land

A conservative estimate in 1972 of recreation user days on unorganized Crown Land in the region exceeded 900,000. This heavy use has raised two concerns: unorganized use of land outside parks results in site deterioration that is not easily controlled; and tourist operators feel that this use poses a threat to their operations.

2. Demand for Cottages

In 1971 there were 15,000 cottages in the region, of which 70 per cent were owned by Canadians. These cottages provided 2.9 million recreation user days. Since 1971 about 1,500 new cottages have been built, and the resident demand is continuing to grow. There is increasing concern that persons residing outside the province are buying up properties and that eventually Ontario residents may be unable to purchase land for cottage use.

3. Sports Fishing

In 1971, 4.7 million user days of recreation were spent on sports fishing in Northwestern Ontario, of which 2.7 million were attributed to Ontario residents. The other 2 million non-resident angling user days contributed \$45,100,000 to the economy. Since 1971, sports fishing seems to be increasing in direct proportion to population increases, with the proportion of non-resident angling declining slightly. There is a concern that the demand will outstrip the capability of the region's waters to produce a sustained yield.

4. Moose and Deer Hunting

In 1971 moose and deer hunting provided 251,000 user days of recreation for Ontario residents and 85,000 user days to non-residents. The latter group spent about \$2,800,000 in the region. By 1973 the figures were 285,200 and 93,600, respectively, providing \$4,000,000 in foreign revenue to the region. Small-game hunting contributes an

average of 200,000 recreation user days per year. Area residents have expressed concern about the size of moose and deer herds, and a desire to have priority in hunting.

Program Response and Strategies for Future Development

In response to the concern of residents about the increased recreational use of unorganized lands outside provincial parks in 1975, the ministry launched a three-year Crown Land Recreation Study, to assess the situation and to make appropriate recommendations.

The government has established a lake-planning program to produce about 400 cottage lots per year from Crown Land in the region. A range of types will be offered: isolated lots, lots arranged in the traditional linear subdivisions, and lots arranged in innovative clusters. To control the acquisition of cottage properties by non-residents, government policy now makes lots from Crown Land available by lease to Ontario residents only in the first year, to Ontario residents and other residents of Canada in the second year, and to anyone in the third year.

The private market will continue to supply a significant number of cottage lots in locations having shoreline suitable for development.

Ministry policies intended to maintain or increase the number of fish and animals will benefit the tourism industry.

Local concern about the size of moose and deer herds and requests for area residents to have priority in hunting have resulted in increased funding for moose management by the ministry and alterations in the hunting seasons to favour residents.

Transportation and Communications

Provincial Mandate and Policy Focus

The Ministry of Transportation and Communications is responsible for providing a balanced and integrated transportation system and the best possible communications services for the people of Ontario. The ministry, however, shares its responsibility for the quality of transportation in the province with other agencies of the provincial government, with other levels of government, and also with private industry.

The federal government, through Transport Canada and the Canadian Transport Commission, regulates rail, air, marine, and interprovincial truck transportation. Private industry operates air, rail, marine, bus, and trucking services. The provincial government, through the Ministry of Transportation and Communications (MTC) and the Ontario Highway Transport Board, regulates road-oriented transport—that is, automobile, bus, and truck transport within the province. The MTC is also responsible for construction and maintenance of provincial highways. Other transportation-related services are supported by the province through the following agencies:

- Through the Ministry of Transportation and Communications: municipal and other road and transit subsidies;
- Through the Northern Ontario Resources Transportation Committee (NORTC): resource and industrial roads subsidies;
- Through the Ontario Northland Transportation Commission (ONTC): northern service operations.

a) Transportation

Major Issues

The ministry has identified three aspects of transportation development as being particularly relevant to the needs of Northwestern Ontario.

1. Support of Social Development

Facilitating the mobility of people and their access to centres of activity is the principal social service aspect of transportation. This service involves many modes, and there are wide variations in what are considered to be acceptable availability, frequency, and user costs. In general, these services now operate to adequate standards in Northwestern Ontario; hence, to retain and appropriately expand these services represents the main direction that transportation programs should take to serve the social objectives of regional development.

Specific social service issues in the region include the following:

- Air links now connect most of the region's urban centres, and further improvements will concentrate on operational efficiency.
- Remote native communities in the northern portion of the region need to be made more accessible, and appropriate development of access by air (wheeled or float/ski aircraft) or surface links is critical to their well-being. Economic and social benefits need identification to guide facility planning and investments.

2. Economic Needs

Economic developments within the region require continuing assessment of available transportation services. The movements of resource materials from harvesting areas to processing installations and the delivery of general freight and finished products are vital transport activities. Services are available through trucking and rail operations to satisfy existing needs; but as new developments occur, new and/or expanded services and facilities will be required.

It is clearly recognized that industrial operations located far from product markets generally incur high transport costs. This is the case in Northwestern Ontario. Some decreases in user costs are possible, however, through improvements in trucking and rail operations. If inequities are removed and service operations improved, greater efficiency in freight transportation can be achieved, resulting in significant savings for both producer and consumer.

Access to the region's resources is essential. Rail spurlines are generally needed to carry bulky low-valued mineral products, and road access of various forms is essential for hauling operations from woods to mill. Although some assistance is offered through the provincial agencies, most of the planning, financing, and operations activities are left to private corporations. Hence, resource developments are at present closely linked to private corporate plans and capabilities.

3. Federal-Provincial Issues

The following issues relate to the provincial government's interrelationship with the federal government:

- A decline in rail passengers has caused an increase in annual operational losses, especially in transcontinental passenger services.
- Increased movement through the region of products from Western Canada will require improvements in both rail access and port facilities at Thunder Bay.
- High transport costs require continued efforts on the part of the government to implement the recommendations of *An Investigation of Freight Rates and Related Problems in Northern Ontario*.¹⁶

Program Response

In order to achieve its transportation objectives, the ministry operates a number of programs, described below.

1. Construction Program

The Construction Program makes provision for the development of highway systems, air terminal facilities, marine facilities, and urban and rural road systems. This program is operated at both the provincial and the municipal levels.

2. Maintenance and Operation Program

The Maintenance and Operation Program maintains (both winter and summer) the plant and equipment for the various transportation systems; purchases required services from external agencies; and provides financial support for other authorities' services—for example, subsidies for municipal transit.

3. Research Program

The Research Program is responsible for developing new technology and improved materials, equipment, and methods of operations, and is responsible for setting operational standards.

4. Regulatory Program

The Regulatory Program includes promotion of highway safety; enforcement of vehicle safety and equipment standards; and licensing of vehicles, drivers, and for-hire transport.

5. Freight Rates and Related Problems

Implementation of the recommendations in *An Investigation of Freight Rates and Related Problems in Northern Ontario* has been active for some time now. Nine of the 20 recommendations have been implemented by direct provincial government action or by private sector response. Seven recommendations require further discussion to resolve and clarify the appropriate actions to be taken by various agencies. The remaining four have been held in abeyance pending reappraisal in the light of new information.

Proposed Strategies for Future Development

The ministry has prepared an operating strategy to deal with the realities of today and the prospects of tomorrow. The strategy relates directly to the construction program and the operating and maintenance program discussed earlier in this chapter.

¹⁶ *An Investigation of Freight Rates and Related Problems in Northern Ontario* (Toronto: Ministry of Transportation and Communications, 1976).

With due recognition that, over a period of time, changes may be appropriate, the following is a summary of the ministry operating strategy:

- To provide for incremental change to the existing transportation services;
- To retain the prevailing standards and service/demand relationships.

In pursuing this strategy the specific intentions of the ministry are:

- To avoid capital-intensive undertakings that will close out options for incremental change;
- To discourage rising expectations for continually improving services that exceed adequate standards;
- To broaden the perspective on problems, in order to consider the full range of possible transportation solutions.

The ministry programs will emphasize a “reactive response” under normal conditions. In this mode of operation the stimulus for change must be not only real but continuing. In addition, solutions endorsed from planning to implementation must be proven cost-effective. Within the priority programming process, a heavy weight is placed on the latter factor, in order to maximize benefits.

The operating strategy is the normal guideline for ministry programs; however, when specific government initiatives are developed, other conditions are required. While many initiatives do not have an adverse influence on normal programs, if disruptions are evident, separate actions and funding are arranged to coordinate ministry initiatives with those of the other participating agencies.

The ministry, in its role as the principal provincial transportation agency, recognizes that today’s transportation problems and tomorrow’s transportation prospects are intertwined with the potential actions of

many agencies involved in Northwestern Ontario. Where regional needs relate to services whose control rests with others, these will not be ignored. An awareness of and an active interest in all transportation issues will be maintained by the ministry, so that the region’s needs can be appropriately conveyed to other responsible agencies.

For those regional service needs under the direct control of the ministry, specific action will be carried out through its present or an expanded set of programs. The following examples of ministry activities reaffirm the operating strategy and show how it is applied in specific areas of need.

1. Highways and Road Services

The ministry will continue to maintain adequate standards of highway service throughout the region, with full recognition of higher per-capita expenditure levels and budgeting limitations. The road needs of municipalities in Northwestern Ontario will continue to be supported with full recognition of the “ability-to-pay” principle for all sharing partners. Finally, the ministry will continue to assist development of access facilities for resources and industrial development, to the full benefit of the region, the public, and private enterprise.

2. Other Services

The ministry will continue to search for and develop opportunities for the realistic application of all modes of transportation. These developments will be promoted where and when greater efficiency and improved services can be realized. Further, the ministry will continue to monitor and amend regulatory legislation to bring about changes when and if stability and improvement of services are ensured.

When new regional development initiatives are to be undertaken by the public or private sectors, the Ministry of Transportation and Communications can assist by evaluating carefully their related transportation needs. Where agreed-upon improvements to transportation are identified as being solely supportive of new developments, these improvements should be funded outside normal program budget allocations.

b) Communications

Major Issues

The Ministry of Transportation and Communications has identified serious and significant disparities in the level of communications services and infrastructures available to residents of Northwestern Ontario compared with those available elsewhere in the province. Generally, in resource-based communities, where social and cultural amenities are often limited or non-existent, there is an expressed and acknowledged need for improved communications services. Disparities in telecommunications services detract from the quality of life and constitute serious impediments to economic development. In Northwestern Ontario this is a major problem at the present time, and some specific manifestations are outlined below.

1. Television and Radio Reception

Outside Thunder Bay, most communities receive only CBC television "off-air." (CTV, OECA, and other independent Canadian stations, as well as U.S. television stations, are unavailable.) The region is equally poorly served by AM and FM radio. CBC-AM service is exclusive over much of the region.

2. Television and Radio Programming

Most CBC television and radio network services west of Thunder Bay originate in Winnipeg. Hence, Northwestern Ontario residents are offered primarily western news and information and are generally denied their local and regional news and information. In a survey of public attitudes conducted by the ministry, residents of Northwestern Ontario, despite a natural attraction to the west based on proximity, expressed dissatisfaction with the western orientation of media and stressed the need for programs originating in Ontario.

3. Cable Systems

Many cable systems provide an extremely limited range of services, and often their technical quality is poor or barely adequate.

4. Telephone Service

Large numbers of complaints are regularly received from Northwestern residents regarding the capacity and quality of telephone services in the area.

Program Response

In response to the situation described in the preceding pages, the Ministry of Transportation and Communications intends to pursue the following objectives with regard to Northwestern Ontario:

- To ensure the provision of adequate, efficient, and reliable communications services to regional residents;
- To ensure that the planning of communications systems and services is responsive to the social, cultural, educational, and economic goals of the government;
- To encourage the development of strong communications ties within and between communities and regions in the province, and to contribute to the national flow of information and entertainment;
- To protect the public interest with respect to the activities of the communications industries in Ontario.

The federal government is responsible for developing national communications policies, and in the implementation of such policies necessarily gives priority to problems with a national dimension. However, in its recent papers on communications policy for Canada, the federal government has recognized the need for a provincial role in identifying provincial communications policy objectives and regional problems and priorities. Specifically, it has requested provincial statements of priorities regarding broadcasting coverage and service. The Ministry of Transportation and Communications has responded to this request and has taken direct action on a number of service problems.

Specific ministry actions undertaken in this context are outlined below.

1. The Pickle Lake Corridor

The Pickle Lake Corridor program has been initiated to rectify the lack of television and radio service and the negative impact this would have on the development of the area.

2. Low Power Relay Transmitters

The ministry has supported private sector proposals for the provisions of alternative radio service by means of low-power relay transmitters (LPRT) to serve the communities of Red Lake, Ear Falls, Ignace, Sioux Lookout, Hudson, and Atikokan, where there is at present no alternative radio service.

3. Service to Remote Areas

Telecommunications services are being provided to 26 communities in remote areas, particularly north of the 50th parallel.

4. Proposals on Improvement of Service

The ministry, in conjunction with the Ministry of Northern Affairs, is analyzing proposals from private companies to improve radio and television services, as well as providing recommendations to third-party funding sources—such as the NODC—on the merits of these proposals.

Service priorities include:

- **Television:** First CBC, then CTV, then, as public funds become available, OECA services should be provided.
- **Radio:** First CBC, then one alternative service should be made available to the region.
- **Telecommunications:** Basic residential and business service have been given high priority.
- **Origination of Service:** Service should be extended from the regional centre, but this should not preclude the introduction of community programming, should it prove desirable and economically feasible.
- **Degree of Extension:** Targets for CTV and OECA should be to serve communities of 500 and more (the current CBC target), but this should not preclude extension to smaller communities, which are not faced by economic and technical limitations.

Proposed Strategies for Future Development

Communications media are a basic societal need, and their provision forms an integral part of a regional development strategy. The ministry's development target for the region should be the achievement of that basic level of broadcasting, telecommunications, and cable services in Northwestern Ontario which is essential if skilled manpower is to be retained, and if the area is to attract new investment. Communications can make communities more attractive places in which to live and work.

Chapter 5

Social Development

Introduction

The social development strategy for Northwestern Ontario reflects the concerns and priorities of the five ministries in this policy field: Community and Social Services, Health, Education, Colleges and Universities, and Culture and Recreation.

It is recognized that many of the province-wide policies and programs of the ministries in the Social Development Policy Field must be tailored and adapted to regional circumstances. The following chapter reflects an effort by all ministries to adopt a regional focus by identifying issues and possible future initiatives that might better respond to the particular needs of individuals and communities in Northwestern Ontario.

While each ministry has identified issues specific to its area of responsibility, the following themes are common to all:

- The need for greater balance and flexibility in the distribution and adaptation of programs throughout Northwestern Ontario to reflect the unique regional characteristics of small, widely dispersed communities, severe climate, and recurring economic uncertainty;
- The need for much greater rationalization and coordination of planning, administration, and program delivery among provincial ministries and between levels of government (federal, provincial, and municipal) and the private and voluntary sector, in order to ensure that quality of delivery of services is maintained, despite economic constraints, and that unnecessary duplication is eliminated;
- The need for programs that meet the special requirements of remote and isolated communities, which do not possess sufficient population to support the range of services and facilities available in the more urbanized centres of the region;
- The need for a consistent provincial policy concerning the role of both the private and public sectors in provision of services to resource communities that are experiencing rapid expansion or decline as a result of changing economic circumstances, often externally imposed;

- The need for innovative approaches to service delivery to native people which recognizes their particular social and economic circumstances.

Among the range of future initiatives that have been proposed in the various components of the social development strategy, the following are highlighted because they are indicative of the coordination and collaboration in future planning which will be required, not only among provincial ministries, but also among the provincial and municipal governments and private agencies:

- Clustering of small communities in close proximity to obtain economies of scale in the delivery of services and to reduce travel time and costs for service personnel;
- Establishment of associated service centres with sufficient flexibility to adapt to the circumstances of the larger communities in the region or the smaller, more remote communities;
- De-institutionalization of health and social service programs, with increased emphasis on a comprehensive home care and placement strategy;
- Encouragement of mixed-used facilities: that is, sharing of space in institutional accommodation by various service agencies;
- Flexible use of manpower in the delivery of services, particularly in remote and isolated communities.

The extent to which the ministries' proposals will be appropriate or effective in meeting the future needs of Northwestern Ontario depends to some extent upon the direction of future economic development in the region. Decisions on the questions of economic development, land use, and resource management raised in earlier chapters have important social implications. Consequently, flexibility and a capacity to adapt to changing circumstances, within fiscal constraints, are of utmost importance.

It is generally agreed that, in the future, government policy will aim at controlling expenditures and maintaining adequate, accessible services. While these two goals may seem contradictory, they offer a unique opportunity for innovative approaches to the rationalization and coordination of service delivery. An essential element of such approaches will be close and continuous cooperation among the three levels of government, voluntary agencies, and the private sector.

Social Services

Provincial Mandate and Policy Focus

In the context of the present document, social services encompass programs of social benefit that are developed and implemented under the jurisdiction of the provincial Ministry of Community and Social Services. Such programs are directed to the prevention and alleviation of personal and family difficulties, and a casework approach is used for client selection and delivery of services. Although the need for social services is directly affected by social and economic conditions in the community environment, the ministry has only minimal power to effect change in such conditions. Its focus is essentially on the individual and the family unit, with a potential to deal with certain related types of community problems.

Social benefit programs also are provided and supported by other, non-provincial agencies—specifically, the federal government, municipal governments, Indian Bands, and private agencies. Because of this shared responsibility for services, the ministry emphasizes a cooperative approach to program development and delivery, both internally with other provincial ministries and agencies, and externally with other governments, private agencies, and community residents.

Major Issues

Five issues of relevance to Northwestern Ontario fall within the ministry's area of responsibility.

1. Administration

The geography and settlement patterns of Northwestern Ontario, described in Chapter 2, create special problems for the administration of social service programs. Small communities cannot support a full range of services and facilities, and the feasibility of moving staff or recipients of services around the region is reduced by the large distances between settlements, poor communications, and the severity of the local climate. These conditions alone produce substantial obstacles to effective program management; and the situation is complicated by the fact that, under present arrangements, administrative responsibilities are shared among three levels of government and various private agencies.

The fragmentation of responsibilities at the municipal level creates problems in the delivery of services. In the districts of Thunder Bay and Kenora, for example, 32 municipalities retain completely separate social service administrations, and the Indian Bands in these districts provide parallel services that are similarly independent and uncoordinated.

Municipal initiatives in the provision of social services are very much a function of the size of the tax base. The smaller and poorer unorganized communities do not have the capability to provide extensive services; yet these services are often needed more urgently in such communities than in larger centres. In Northwestern Ontario, where economic development has resulted in the emergence of prosperous communities interspersed with pockets of considerable poverty, the disparity in social and economic circumstances between communities within a district can be very striking. The pooling of tax resources among municipalities could help to resolve the problem, but the wealthier communities tend to resist this arrangement.

Further problems may arise from the independent arrangements made by various social service agencies to provide services to scattered communities throughout the region. It is usually not practicable for an agency to establish a local office in a small community, because the community itself cannot provide a large enough clientele to justify the expense and because other communities are too far away for their residents to travel to the facility. Typically, agencies adopt the alternative of putting their staff on the road, travelling from one community to another according to a prearranged schedule. There are several disadvantages to this approach: it is costly, in terms of travelling time and money; it is inefficient, to the extent that several agencies may be employing staff for a function that one person could provide; and it limits the effectiveness of the service, since the agency's representative is in the community for a limited period, and the recipients' needs may not always coincide with the time of the visit. Although some improvements may result from the coordination of activities between the various agencies, different staffing patterns, different mandates of the agencies involved, and difficulties in communications presently limit the potential for closer integration of staffing across agencies.

2. Program Content and Methods of Delivery

Because of the unique social and economic conditions that prevail in Northwestern Ontario, social benefit programs that have been developed for implementation in other parts of the province may require adaptation, both in content and in methods of delivery, for use in this region. Important factors affecting program requirements are the presence of a disadvantaged native population which is increasing in size, the rapid growth of some communities in the region and the decline of others, and the smallness and isolation of communities, both from each other and from other parts of the province.

The geography and climate of Northwestern Ontario create obvious problems for the delivery of social services, and these problems are aggravated by the limitations of

the region's indigenous resources. The financial constraints encountered by the small municipalities and unorganized communities have already been mentioned. There is also a scarcity of qualified personnel, both in individual communities and in the region as a whole. The low population level of the region restricts the number of trained people available to meet the staffing requirements of a full range of programs (although Lakehead University is striving to overcome this problem), and the regional environment does not readily attract qualified personnel from outside locations. The lack of local resources tends to inhibit private initiative in establishing social service programs and facilities; yet many provincial and municipal programs rely on private agencies for partial funding and implementation.

What also must be taken into account, for instance, is that the use of institutional care as a method is far less practicable in the Northwest than elsewhere. Central institutions, remote from the home communities of most potential users, cannot provide adequate access to service for all those in need. But the multiplication of small institutions in small communities is unjustifiable in terms of program considerations, cost, low volume of cases, and the lack of local funding capability. It is proposed that the direction of service be developed along the line of care outside institutions—that is, care in the community or, more precisely, care in a household setting.

3. Declining Resource Communities

As discussed in Chapter 2, the economy of Northwestern Ontario is dominated by resource-extraction industries and is therefore subject to a high degree of instability. The prosperity of any resource-based community can change very rapidly as fluctuations occur in the market demand for its products. In addition, there is a constant threat that the resources supporting the community's main industry may be depleted, resulting in the dislocation of the entire population. In communities that have lost or are about to lose their main industry, the social service needs of the population are very great.

4. Needs of Native People

Native people comprise about 16 per cent of the population of Northwestern Ontario, and most of them live in two types of communities: Reserves, which are governed by Indian Bands, and settlements on public lands, which have no form of local government. The native population is classified into two broad groups: Registered Indians, and those who are unregistered but of Indian race and culture (including Metis and others).

Native people are heavy consumers of social services in nearly every program. When rates of unemployment, crime, suicide, alcoholism, family problems, and dependency among native people are compared with those for the total population, a significant degree of social tension is apparent in the native community.

By agreement, the responsibility for social services is shared among three levels of government—federal, provincial, and Indian Band—according to the community in which the individual lives and whether or not he/she is a Registered Indian. Despite the existence of intergovernmental agreements, these jurisdictional arrangements create some gaps in the social service programs available to native people.

Ontario has several agreements with the federal government transferring administrative responsibility for Registered Indians to the province, which in turn has transferred some responsibilities to the Band Councils. Most of the funds come from the federal level, either in subsidies to the province or in grants to Bands. In this area and regarding social services generally, there is a need to give Indian Bands more autonomy in the use of funds and the development of programs, to ensure that the services provided are appropriate to native requirements.

5. Role of the Ministry

The conventional role of publicly supported social services has focused on the individual and the family. Such services have tended to be remedial with respect to existing problems rather than anticipatory of potential difficulties. It is, however, apparent that

social problems experienced by individuals are often attributable to factors in the external environment as well as to personal causes. For example, other chapters in this document set out economic and settlement strategies that would have extensive social effects. Social services need to respond to such proposals with a capacity to predict consequences and thus an ability to enhance the good that would flow from change and prosperity and to ameliorate any ill results. That capacity has yet to be developed to a sufficient degree, though the present focus on the Northwestern Ontario region offers an excellent opportunity to do so.

Furthermore, it may be advisable for the mandate of the Ministry of Community and Social Services to be broadened to allow delivery programs in certain circumstances to take the community as a client. For the present, it is proposed that such community development be regarded as an emergency, rather than as a universal, program, and that special projects be initiated to deal with urgent situations.

Program Response

Since publication of the 1971 Northwestern Ontario Regional Development Plan, the Ministry of Community and Social Services has initiated a number of improvements in the provision of social services.

1. Day Care

Two major capital financing programs—Project Day Care and the Day Care Expansion Program—have contributed to the establishment of 18 new licensed day nurseries in the region over the five-year period. Many of these day nurseries are located on Indian Reserves. In addition, the first provincially administered day nursery has been opened at Minaki.

2. Homes for the Aged

Three major capital projects have increased the capacity of municipal homes for the aged by 31 per cent since 1973, bringing the ratio of beds to regional population above the provincial average.

3. Mental Retardation

Four workshops have been expanded or opened and four community residences built, the latter under special grants providing 100 per cent of funding from the province. Other services also have been developed that reflect the community focus recently adopted across Ontario for programs for the mentally retarded.

4. Rehabilitation

New vocational rehabilitation programs in the Northwest include: a work activity project in Thunder Bay, designed to bring people to a state of work readiness; and various life-skills training programs. Services aimed at assisting alcoholics include the establishment of several halfway houses and the introduction of a street patrol in Kenora to assist persons who are inebriated or otherwise in distress.

5. Income Maintenance

About 5 per cent of the regional population receives aid under the Family Benefits or General Welfare Assistance programs. Rates for Northwestern Ontario have been adjusted to accommodate higher fuel costs, and a program has been initiated to encourage individuals to return to employment while receiving reduced benefits.

6. Counselling for Territorial Students

A project has been established in Thunder Bay aimed at reducing the rate of dropout from school among native students and others who come to the city from remote areas.

Proposed Strategies for Future Development

1. Administration

It is proposed that the municipal administration and delivery of social service programs be consolidated at the district level. Such a system might entail the delegation of municipal and perhaps also Indian Band responsibilities for social services to a district social service board, similar to that established in Rainy River District. The pooling of municipal tax-raising capabilities would permit the hiring of full-time, qualified staff, the development of a wide range

of effective programs, cost savings resulting from economies of scale in program development and implementation, and close matching of programs to district needs. In addition, existing disparities in the availability and quality of social services between wealthy and poor municipalities would be reduced, improving the social stability of the region as a whole.

To achieve an integrated system, the province will consider a variety of arrangements that would induce municipalities to participate in a district board, or it might establish the system by legislation. Since district boards are composed of municipal counsellors selected by groupings of municipal councils, the municipalities retain control of budget and local policies. One or two provincial representatives may sit on a board. In the case of Indian Bands, it is proposed that consultations be carried out with the province to determine whether or not they are willing to delegate their social services to a district board. Alternatively, they might prefer to develop their own consolidated system through cooperation between various Indian Bands, or through delegation of responsibilities to bodies such as the Grand Councils of Treaty Three and Treaty Nine.

In order to resolve problems of duplication of administration and service among social service agencies and ministries and to improve field delivery of programs, several new arrangements might be made. For example, associated service centres might be established in small communities, which would house in one building the field staff of various social service agencies and ministries, clerical and secretarial staff, office equipment, a central index of case information, and similar resources and materials. This scheme would reduce travel costs for agencies, provide better use of time, improve access to services for community residents, and facilitate coordination of activities between agencies.

Another possible arrangement is the employment of common field staff who are capable of providing a range of social services and thus can act as local represen-

tatives for several agencies. These staff would be generalists with skills in a number of specialized areas. The use of such personnel could substantially improve the availability and quality of social services in remote communities in the region.

Further improvements in social service administration could be achieved through coordination of program development and delivery with ministries that have related responsibilities, such as Health and Education. Also, in some instances, two or more ministries might share office accommodation in communities where the level of use of facilities is low.

To assist cooperative integration between social service agencies, it is proposed that a planning mechanism be established, perhaps initially taking the form of a committee of interested parties and then evolving into a social services council for the entire Northwestern Ontario region or for each of its several districts. It should be emphasized that the proposed council would have advisory rather than administrative powers. Its primary function would be to make recommendations to government administrations and agency boards concerning opportunities for coordinating policies and programs, possible measures for eliminating gaps and duplications in available services, the merits and priority ranking of requests for funds, and guidelines for the development of future social service strategies. While the council would not itself have administrative authority, it would be essential that it fully represent all public and private organizations that do have responsibility for the provision of social services in the district or region.

2. Program Content and Methods of Delivery

To ensure that available social services are appropriate to regional needs, a strategy should be adopted by all responsible agencies—government and private—to adapt programs to the particular social and economic circumstances of people living in Northwestern Ontario. Not only should program content be tailored to the requirements of individuals in the native popula-

tion, in rapidly growing or declining communities and in remote parts of the region; but in addition, innovative methods of delivery should be sought, to circumvent difficulties arising from geography, climate, and dispersion of the population.

Given the inadequacies of central institutions as a program model, services should be redirected towards the community setting and specifically towards the home. Such redirection would require the cooperation and active support of agencies currently providing institutionalized services, as well as the recruitment and training of staff who could deliver services in a household setting. A strong initiative would have to be taken by the ministry in order to provide incentives for the development of delivery systems or to assume direct responsibility for program delivery.

The foregoing suggestions are all in furtherance of a policy of service in the community, in contrast to institutional care. But the institution (including the so-called "group home") has its indispensable place in a line of service when people have reached acute or chronic stages of illness or frailty. The question is how best to provide this type of service in the Northwest. Where institutional facilities are provided for care of the chronically ill and the aged, a trade-off has to be made between economic considerations and the need for ready access. The provision of separate facilities in individual small communities is financially wasteful (if not impossible, as in the poorer municipalities); but the establishment of one regional institution is unreasonable for a widely dispersed population. An alternative might be the development of mixed-use facilities in some small communities, in which several types of institutional care would be provided under one roof. These facilities might also be used for other purposes, such as temporary accommodation for persons receiving medical treatment in the community. Some institutions of this type have been established in the north on an experimental basis, under cooperative arrangements undertaken by the ministries of Health, Housing, and Community and Social Services.

The ministry also recognizes that it shares with the Ministry of Health a responsibility for the treatment and rehabilitation of alcoholics, and will aim at the expansion of existing facilities.

It should be noted that all program expansions implied in this social service strategy are subject to the present financial constraints on government expenditures.

3. Declining Communities

The declining community is a well-known phenomenon in Northwestern Ontario, and social service costs are only part of the difficulties it generates. The first and basic question to be addressed in solving the problems of a declining community is whether it should be dismantled, either partially or totally. Both solutions require an extraordinary effort from government, involving all provincial ministries and local authorities. Because of the size of the undertaking, it is important that an early decision be made concerning the future of the community. Task forces with wide responsibilities and extensive resources at their disposal might provide an appropriate mechanism for developing strategies for specific action.

Where a decision has been made to dismantle a community, the Ministry of Community and Social Services could play a valuable role in counselling individuals and families moving to other communities, providing financial assistance to facilitate the move, and assisting with the re-establishment of homes in new locations. Where regeneration of the community was possible, the ministry could assist potentially employable residents in acquiring the necessary skills and attitudes for future employment, as well as provide services and facilities such as day care and home-making. In both instances, cooperation between all the provincial ministries involved would be essential to ensure the development of a sound community base.

4. Needs of Native People

The provision of social services can only partially meet the basic needs of native peoples for social, economic, and cultural stability. Any programs that are developed should be integrated with development

strategies in other areas (such as employment, housing, education, and health); and all programs should be designed and implemented in close consultation with native representatives.

To facilitate adaptation of social service programs to native requirements, the ministry proposes to seek agreements with the federal government and with the Indian Bands that will increase the autonomy and participation of Bands in developing social services and also provide supportive financing of specific programs. With respect to native settlements that have no form of local government, the ministry proposes to initiate community development and counselling projects that will help the population to identify and resolve social problems.

Wherever feasible, native people should participate in the provision of services to members of their communities. To this end, discussions will be initiated with the Children's Aid Societies in Northwestern Ontario regarding the establishment within their organizations of a separate section for Indian child care, staffed by persons of Indian background.

Possible solutions to the problems of native people in impoverished communities must be worked out in consultation with native representatives. New arrangements and services may be instituted only insofar as they are acceptable both to government and to the native groups concerned. Consultation on these matters might be formalized through task force discussions with the Treaty Organizations.

5. Role of the Ministry

It is proposed that, to ensure that economic and settlement policies produce the best social results in communities to which they are directed, the ministry should participate in the study of social and economic factors affecting the lives of residents, and should share the knowledge and perspectives it obtains with other government agencies and private organizations that are active in the region. The ministry should expand its research capacity to permit concentration on northern studies; and it should acquire a

mandate that would allow it, in case of emergency, to take the community as a client, instead of confining its programs to particular persons or groups. Communities in Northwestern Ontario that might be so treated would be those experiencing sudden economic growth or depression, or those in which there was a rapid increase in the incidence of social problems. The proposed strategy would have two aspects: the development and implementation of special projects to deal with immediate problems; and the acquisition of knowledge and techniques that would permit anticipation of problems, leading to preventive action.

5. Children's Services

In April 1977, the formation of a Children's Services Division was announced in the Ontario legislature, heralding a provincial effort to integrate services to children with special needs. The division was established within the Ministry of Community and Social Services, bringing together children's programs from four ministries: Health, Correctional Services, the Attorney-General, and Community and Social Services. In addition, the Children's Services Division was given a mandate for direction of the system of service delivery to children throughout the province. Two major areas of focus were clearly identified: the integration of children's services at the provincial level, and the coordination of children's services at the local level.

The establishment of the Children's Services Division has affected the ministry's planning for services in the north, in terms of approach, programming, and administrative structure. The principles underlying the formation of the Children's Services Division fully support those adopted by other parts of the ministry with regard to northern concerns. Among these basic principles informing the efforts towards integration and coordination of children's services has been adherence to the following concepts: the importance of local decision-making, the importance of the family unit, the right of all persons to equal access to service, the right of all to the highest quality of service possible, and the accommodation of regional and cultural differences.

The Children's Services Division has identified many of the problems noted elsewhere in this document with respect to delivery of services in the region; namely, difficulties arising from dispersion and isolation of communities, scarcity of resources, lack of privately funded social services, unmet needs of native citizens, and reliance upon and alienation from centralized government structures. The suggestions outlined earlier in this chapter regarding the integration of services and the assumption of responsibility for services by local communities have already been established as goals by the new division. It is anticipated that the programs presently administered by the Child Welfare Branch, the Juvenile Corrections Branch, the Observation and Detention Home Unit, and the Children's Mental Health Services Branch will be integrated and reorganized in order to provide children and families with improved access to appropriate assistance. It is anticipated also that increased involvement by local communities in their own decision-making will be made possible through the establishment of local children's service bodies. These bodies should be able to assess local needs and priorities, identify appropriate services, and allocate resources accordingly; they also would be held accountable to the province for use of funds and maintenance of standards.

The Children's Services Division, in operation only since July 1977, is preparing policy papers on legislation, local coordination, information systems, and standards. In all these papers, consideration of northern affairs is implicit. These papers will be circulated widely to the public, and all facets of the service-giving community will have an opportunity to react. It is hoped that northern communities will respond actively. It is intended too that consultation between Indian Bands and Associations and senior officials of the division be arranged in the near future. Finally, it is anticipated that in the development of local children's service bodies, several areas across Ontario will be chosen for pilot projects.

One of these projects will be located in the north, with a view to determining appropriate means of service delivery to children in this part of the province.

Health

Provincial Mandate and Policy Focus

The provincial health system consists of a variety of public, private, and voluntary agencies, which together share responsibility for planning and delivering health services. As part of this system, the Ministry of Health is responsible for promoting the health and well-being of the people of Ontario and for developing and maintaining comprehensive health services and a balanced and integrated system of hospitals and other health facilities.

The health of individuals is affected by a variety of factors. Since some health problems are attributed to personal habits and attitudes, part of the responsibility for maintaining and improving health must rest with the individual.

Other major factors are associated with the physical and social environment (for example, housing, sanitation, and industrial development). To deal with these underlying causes effectively requires a concerted effort on the part of numerous public and private organizations. The Ministry of Health works closely with other ministries, other levels of government, private agencies, and business and industry to minimize conditions that threaten or impair the health of individuals.

Major Issues

The ministry is concerned with three main issues in Northwestern Ontario.

1. Development of the Health System

There is a need to develop a health system in Northwestern Ontario that is able to respond to the requirements of residents of the region, wherever they live. A basic requirement is to provide a wide range of

services within a delivery system that allows access for individuals in remote communities, as well as for those in the larger centres, and at the same time to maintain high quality of service at a reasonable cost. Financial resources are not unlimited, and the best ways must be found to use the available funds.

Because of the sparseness of the population, it is not feasible to locate all types of health service in every community or even in every district. The development of an accessible, responsive system suggests the importance of transportation and communication networks that extend throughout the region.

The province has a responsibility to ensure, to the greatest degree possible, that residents of Northwestern Ontario have access to the same level of health service, relative to their needs, as that which is available to citizens in other regions. To this end, planning for the development of the health system requires close cooperation between the province and local authorities.

2. Balance and Distribution of Services

Improvements are needed in the balance of health services available throughout Northwestern Ontario, in their distribution, and in the use made of these services. There are some service deficiencies (for example, in mental health and dental services) in communities outside the larger centres, and there is a shortage of some types of qualified health personnel, especially in the less densely populated parts of the region.

In seeking solutions to these problems, it will be necessary to take into account a number of factors affecting service requirements. First, the kinds of services needed, their distribution, and the methods of delivery employed will be determined by characteristics of the local population—in particular, its rate of growth, age distribution, and geographical dispersion.

Specific strategies are being developed, for example, to provide adequate and accessible health services to individuals living in

remote or isolated communities experiencing rapid growth or decline; for their needs will differ in some respects from those of residents of larger centres, and local conditions (such as the availability of manpower resources) will affect the ability of the health system to meet these needs.

Second, social conditions affect the demand and need for health services. The lack of social amenities in isolated areas contributes to a variety of emotional and psychosocial difficulties among the resident population, and accordingly creates a need for programs that can remedy such problems. In addition, changes in social attitudes can increase or decrease the demand for certain programs.

Third, the content of health programs will be influenced by the causes of illness and of death. In Northwestern Ontario, these are often associated with economic and social problems such as alcoholism.

3. Needs of Native People

The health of native people requires special attention. Their health problems are interrelated with social and economic difficulties, housing problems, and educational factors; and they can be resolved only to the extent that improvements are effected in these other areas as well. As noted in the early pages of this chapter, the situation is complicated by the fact that responsibility for services is shared between the federal and provincial governments. Inevitably, there are gaps in services, and the delivery of programs is less efficient than it might be under one administrative system.

Program Response

Some important improvements have been achieved in the provision of health services in Northwestern Ontario in the five-year period 1971-1976.

1. District Health Councils

One of the most significant achievements since 1971 has been the establishment of two District Health Councils, in Thunder

Bay and Kenora-Rainy River, to advise the Ministry of Health on planning for the entire Northwestern Ontario region. Their primary responsibilities are to identify local needs, evaluate alternative programs, establish priorities, and prepare a comprehensive program for the district; they are also to facilitate the coordination of services within districts. In addition, the councils are involved in the discussion of regional issues.

District Health Councils are established by Order-in-Council and are composed of consumers and providers of health care and representatives of local government. Members are appointed following a local nominating process that ensures a balanced mix of backgrounds, knowledge, interests, and geographic representation. Nomination by municipalities is included in this process. The appointment of local government representatives means that District Health Councils can be kept advised of local government concerns and in turn that local government can be apprised of council activities.

2. Active Treatment Hospitals

Active treatment facilities are now established in all communities that are large enough to justify a hospital. Specialized services are available in Thunder Bay, though communities near the provincial border tend to use facilities in Winnipeg.

3. Services for Long-term Conditions

Nursing homes providing extended care have been established in several communities, and extended-care accommodation will be available in the home for the aged in Thunder Bay. Plans exist to expand the chronic care facilities at the hospital in Fort Frances; and a multidisciplinary rehabilitation team has been developed in Thunder Bay, which provides direct treatment services to community health care institutions, as well as assessment, educational, and advisory services to local practitioners.

4. Home Care

Home-care services are provided in the larger centres and their surrounding areas. In 1975, a pilot project was introduced in Thunder Bay to include chronically and acutely ill patients.

5. Underserviced Areas

Services have been improved in areas of sparse population through the provision, under the Underserviced Area Program, of financial incentives for physicians and nurses to locate in designated areas. Forty-three family physicians are now practising in 21 communities that have been designated as underserviced. In addition, nurses are located in three nursing stations where population is sparse and scattered. It is considered that the most pressing needs have been met.

6. Dental Services

Dentists have been attracted to the region under the Underserviced Area Program. Ten of the 19 designated areas now have dentists in practice. In addition, provincial mobile units provide dental preventive and treatment services for preschool and elementary school children in remote areas.

7. Optometric Services

An optometric unit is planned for Red Lake Hospital to provide services to the Red Lake-Ear Falls area, and mobile optometric/ophthalmological vans carry some services to remote communities.

8. Alcoholism

Detoxification centres have been established in Thunder Bay and Kenora, and community groups are being encouraged to develop care and rehabilitation programs. The two regional offices of the Addiction Research Foundation emphasize education and demonstration counselling. Priority is being given to programs for the employed problem drinker and the provision of assistance on alcohol and other drug problems to health and social agencies.

9. Mental Health

Mental health services are provided in Thunder Bay, Kenora, and Fort Frances. One of the psychiatrists in practice in Thunder Bay is there as a result of the Underserviced Area Program. Out-patient and day-care programs have been expanded, and the District Health Councils are studying plans for community mental health programs. In addition, new mental health services have been provided for children: several group homes have been established, including two for native child-

ren, with associated out-patient and day-care services; and a number of satellite regional offices have been set up, with staff support from the Lakehead Psychiatric Hospital.

10. Public Health Services

Services have been extended into the more remote areas and made more uniform. Increasing use is being made of community residents as part-time staff. In areas not covered by the two district health units, services are provided by the province through the Northern Ontario Public Health Service. Services are provided to some native people by the provincial system and to some by the federal government.

11. Public Health Laboratories

Services have been consolidated to improve quality and decrease duplication.

12. Ambulance Services

Improvements have been made in the organization and coordination of services and in the training of staff. Land and air services are now available throughout the region.

Proposed Strategies for Future Development

1. Development of the Health System

The aim of planning activities for the Northwestern Ontario Region is to develop a balanced range of primary and secondary (including tertiary) care services for individuals with emotional, psychosocial, or physical problems. The health system should provide both institutional and ambulatory services, including services for diagnosis, treatment, and rehabilitation, promotion of good health, and prevention of disease and disability.

Planning for the regional health system and implementation of plans will undoubtedly be influenced by the availability of fiscal resources. Current financial pressures and constraints will continue for some time; thus, it will be necessary to evaluate local priorities to concentrate on rationalizing and coordinating services within districts and throughout the region, and to continue

to develop innovative, cost-effective methods of delivery that are suited to the needs of the region. The grouping or clustering of communities for service delivery, as described in Chapter 7, may be usefully considered in this context.

The ministry will place increasing emphasis on cooperative planning with the District Health Councils to ensure that the system is designed to meet local needs and that it reflects and supports provincial health policies. The ministry will also work closely with the Ministry of Community and Social Services.

2. Balance and Distribution of Services

Planning for the region will be focused on achieving a better balance of services and ensuring effective distribution among the regional population; towards these ends, the following program initiatives are proposed:

Programs to Deal with Underlying Causes of Health Problems: The need to promote good health and to prevent disease and disability is obvious. Public health services should be strengthened throughout the region. Also, in areas where the approach is feasible, services currently provided by the Northern Ontario Public Health Service should be transferred to the district health units.

The ministry will continue to work with these units to improve the level of public health services in the region. In addition, other government and private organizations will be encouraged to share responsibility for indentifying and remedying underlying causes of health problems. The District Health Councils can play an important role in this area. Opportunities for cooperative program development include health, education (involving the Ministry of Education and local school boards), recreational programs (involving the Ministry of Culture and Recreation, local municipalities, and private local groups), and occupational health programs (involving the Ministry of Labour, business, and industry).

Programs to Deal with Alcoholism:

Many public and private agencies are involved in program development and delivery, and their efforts should be closely coordinated. The Ministry of Health proposes to work with the District Health Councils and the various agencies involved in developing new approaches to alcoholism in the Northwestern Ontario region.

Primary Care Services: The District Health Councils and local association of health professionals should work together with the ministry to strengthen primary care services as a means of improving continuity of health care. In addition, the links between primary and secondary care (including information flow) should be improved, so that secondary care would provide consultive services for primary care. Health professionals in primary care should be encouraged to work in groups in order to facilitate the flexible use of manpower. No specific method to accomplish grouping is favoured by the ministry. Much of the initiative for grouping could be expected to come from the local level, from medical and other professionals themselves. Physicians, nurses, and social workers, for example, by working together, can provide some services more efficiently than would be possible if the physician were in practice alone. All personnel should be used to the maximum potential of his/her training and skills.

An organizational grouping of medical and allied health practitioners does not necessarily mean a common physical location. Through this mechanism it might be possible for nurses or other allied health practitioners in more remote areas to be linked to a group for needed support. In a fairly isolated area there might be a nursing station with two or more nurses who would act under the supervision of a physician in a more central community.

Coordination with Social Services:

Because of the relationship that exists between health problems and social problems, the activities of responsible agencies in both areas should be closely coordinated, preferably through local interagency coordinating mechanisms. One model could be the

development of associated service centres, particularly in small communities (as described in the discussion of social services).

Alternatives to In-patient Hospital

Care: Concurrently with the strengthening of primary care, increased emphasis should be placed on alternatives to care in institutions, such as the provision of day-care, night-care, and out-patient services. The District Health Councils should provide leadership in the development of such services, and they should seek opportunities to use alternative approaches for the delivery of both health and social services.

Comprehensive Home-care Program and Placement Strategy:

A comprehensive home-care program that encompasses both health and social services and a strategy dealing with placement and care in the community are required. These would be particularly valuable in meeting the needs of the aging, and they could significantly ease pressures for the expansion of institutional facilities. In parallel with the constraints on availability of excess institutional accommodation, they could have long-range potential for cost savings, as well as providing services more appropriate to the patient's actual needs. Coordination of health and social service activities at the local level would be required. Voluntary community effort also would be important, perhaps through service clubs. This effort should be mobilized and organized. The Ministry of Health proposes to work with the District Health Councils, other local agencies, including the voluntary sector, and the Ministry of Community and Social Services to develop a comprehensive home-care program and a placement strategy that encompass both health and social services.

Attraction and Retention of Manpower:

Financial and other incentives (such as rotation arrangements) are required, in order to attract qualified health personnel to Northwestern Ontario and encourage them to establish long-term practices in the region. Health personnel also should be encouraged to apply their skills in a flexible manner, so that maximum use is made of the available manpower. Primary-care nurses recruited through the Underserved

Area Program have been trained to undertake more than traditional nursing functions. The use of dental auxiliaries in private or public practice could increase significantly the total amount of dental care available to residents of the region. In remote areas, health and social service agencies should consider sharing personnel through purchase-of-service arrangements, in order to minimize travel between communities. For example, local negotiations might lead to public health nurses performing additional functions for a social service agency. The Ministry of Health proposes to work with local and provincial agencies, including the regulatory bodies of the health disciplines, in developing such programs.

Testing of New Delivery Methods:

Northwestern Region, with its special characteristics and needs, could be an area for testing and evaluating new methods of service delivery.

3. Isolated Communities and Areas of Rapid Growth or Decline

In addition to the program initiatives outlined above, specific strategies are needed to deal with the requirements of isolated communities and settlements in remote areas. Important elements of these strategies would be the strengthening of primary-care services and of links between primary and secondary care; improvement of transportation services (this will require further study); development of associated service centres; flexible use of manpower; flexible use of institutional accommodation (for example, through mixed-used facilities—use of beds in hospitals for other purposes); and improvement of communications services (for example, through the use of satellites). In developing strategies for isolated and remote areas, the Ministry of Health proposes that the District Health Councils work closely with it, with other local agencies, and with other responsible ministries.

Specific strategies also are required for communities experiencing rapid growth or decline. The District Health Councils should develop, in conjunction with the Ministry of Health, plans that will enable the health

system to respond to rapid changes in local population. Consideration also should be given to the sharing of responsibility for health services between industry and the various levels of government, at the time when the development of resource-based communities is being planned.

In rapidly growing communities, small associated service centres might be established at an early stage of community development, with the capability of expanding types of staff and services available as the population and demand increase. In addition, innovative building techniques, such as the construction of modular units, could be useful to the implementation of a gradual expansion plan.

In communities with a declining population, a strategy is required that would permit gradual reduction of facilities without producing a concurrent loss of essential services.

4. Needs of Native People

Health strategies for native people should be developed in conjunction with strategies aimed at meeting their social, economic, and educational needs. Representatives of the native groups concerned should work in conjunction with the federal, provincial, and municipal governments to develop and implement appropriate programs. Among the issues to be considered should be the desirability of establishing a single health system for native people, to replace the present dual system administered by the federal and provincial governments.

Elementary and Secondary Education

Provincial Mandate and Policy Focus

The British North America Act gives responsibility for education to the provincial government. The Ministry of Education provides educational services to all persons residing in the province, except Registered Indians who reside outside school board areas. This task is carried out through a

variety of arrangements for financial support and a range of programs intended to improve access to and the quality of educational services throughout Ontario. Local school board authorities are responsible for meeting a proportion of education costs based on a provincial equalizing formula and for administering program development and delivery in accordance with provincially determined policies and local needs.

Generally, the tasks of constructing facilities, organizing and administering schools, developing programs, and supervising education in the community are carried out by local school boards. In Northwestern Ontario, however, geographic, demographic, and socioeconomic conditions inhibit the effective development and delivery of educational services. In these circumstances, considerable responsibility for meeting community needs devolves to the regional office of the provincial ministry.

Major Issues

The Ministry of Education has identified a number of issues within its area of responsibility that are of particular relevance to Northwestern Ontario.

1. Services in Small and Remote Communities

The sparse population in many regional communities, isolation of communities, and distance from larger centres create difficulties in the delivery of services. Local school boards are unable to provide a full range of services; and student achievement is inhibited by physical, social, and economic circumstances. Many factors contribute to these two problems.

Of 35 school boards operating in Northwestern Ontario, only two serve a population of sufficient size to justify the provision of all types of programs. Nineteen boards (designated as isolate boards) operate only one school each, and they function under a number of constraints. Boards lack personnel with skills in organization, administration, staff supervision, professional development, and student diagnosis and assessment. Local communities often cannot supply the necessary equipment and

manpower for construction and repair of facilities; the school curriculum is not easily adapted to local conditions; and student numbers are too few to justify secondary education in their community. In very small settlements, school enrolment can fluctuate greatly if only one or two families move into or out of the area.

Apart from the 19 single-school boards, there are 14 of marginal size that experience similar difficulties in providing adequate services. Two of the boards, each responsible for fewer than 2,000 students, lack a director; and all suffer from a shortage of resources for curriculum and professional development. The cost of bringing in resources from outside the region or of pooling local resources among boards is high, and local municipalities often cannot support heavy expenditures for educational services. The isolation of communities limits the opportunity for professional development of staff. Schools with a small staff lack adequate resources for local curriculum development.

In all small communities, the effectiveness of existing educational programs is limited by local conditions. There is a shortage of social and cultural facilities and programs. Programs that are available are not always appropriate to community residents. Few people in the community possess the skills necessary to identify educational needs and to work with public and private agencies to provide the required services. The lack of population makes it difficult to provide effective programs at a reasonable cost.

Many communities cannot support a local secondary school and it is necessary for students to travel some distance to attend classes. This factor has a negative impact on student achievement and may contribute to the local dropout rate.

2. Organization of the Regional Office

Since 1970, there has been a shift in ministry policy away from the provision of direct educational services to Ontario teachers and schools; instead, local boards are encouraged to assume responsibility for developing and delivering programs that

meet the province's policy objectives. This approach is appropriate for communities in Southern Ontario whose school boards have the financial and personnel resources to carry out a wide range of programs. In Northwestern Ontario, boards rely heavily on the staff of the ministry's regional office to supply the capabilities that they themselves lack. Here, government personnel are needed to provide direct services in program and professional development, supervision, and administration.

The 19 smallest boards place the greatest demands on regional office staff, and at the same time they are the most difficult to service. They experience a high turnover of teaching staff, require a great deal of assistance in supervision and administration of services, and have few resources for curriculum development and professional upgrading. Regional office staff who provide such services are required to travel long distances between isolated communities; to adapt their skills (which are often quite sophisticated) to remote settings with unique and basic problems; to accept difficult working and living conditions in isolated communities; and, in some settlements, to assist elected trustees in fulfilling their role, or to act as school trustees in lieu of locally elected representatives.

Boards of marginal size create comparable problems for regional staff. In the case of those boards that lack a director, supervisory functions are carried out by ministry personnel. All boards have an increasing need for assistance in carrying out negotiations with teaching staff. The lack of local resources for curriculum development places a further burden on the time and skills of regional staff.

3. Needs of Native People

While increasing numbers of native students are attending provincially supported schools, the available services in Northwestern Ontario are not always well suited to their particular needs. Typical problems include irrelevance of the curriculum to

native cultural and social values; language difficulties for native students in predominantly non-native schools; and a shortage of native teachers and teaching assistants in local schools. Attendance is often interrupted by the social and economic activities of the family or community group (such as seasonal hunting, trapping, and guiding).

These problems are difficult to address, in part because boards lack procedures for defining the needs of native students and experience in preparing appropriate programs, and in part because native groups have not communicated to the province a clear statement of accepted educational goals for native students.

The deficiencies in educational services for non-status native people are difficult to remedy, because, in the absence of local tax revenues, the cost to the province is high. There is a need to coordinate provincially supported services with those funded by the federal government on Reserves. The native population of Northwestern Ontario, which is increasing at a faster rate than that of the non-native component, tends to be mobile, creating difficulties for program planning and interfering with the effectiveness of programs.

Program Response

Since 1971, considerable progress has been made towards the resolution of problems related to educational services in Northwestern Ontario.

1. Services in Small and Remote Communities

The Ministry of Education operates a program called the Northern Corps to recruit, prepare, and provide in-service training for teachers posted to remote communities. In addition, audio-visual equipment and materials are supplied to the 19 smallest boards from the regional office and other sources.

The regional office provides personnel to fill a supervisory role for the boards lacking a director. In addition, under the Regional

Professional Development Plan, other regional office staff organize programs and workshops in program and professional development for teachers in the region. These activities are reinforced by the provision of summer courses through the Lakehead University Faculty of Education and the sponsorship of ministry winter courses by two local school boards (the Dryden Board of Education and the Kenora Roman Catholic Separate School Board).

To assist boards in obtaining resources for program development, administration, and supervision, the Regional Education Council, comprising Directors of Education, has compiled an inventory of experts available in Northwestern Ontario. The Community School Development Fund also helps boards to establish projects designed to improve the educational environment of communities. These initiatives are augmented by the provision of adult education courses by Confederation College of Applied Arts and Technology and by the Ministry of Education, working in cooperation with the federal government and the Ministry of Community and Social Services.

2. Regional Office Services

The staff complement of the regional office has been increased slightly, although this benefit is offset by the growing demand for services. Similarly, transportation services to remote communities have improved since 1971; but, in the meantime, two new school boards have been established in remote areas.

One board (in Red Lake) has appointed a curriculum coordinator, thereby relieving some of the workload for regional staff.

In an attempt to streamline administrative procedures for regional office personnel and local school boards, new budget and information forms have been introduced, and contract arrangements have been made with accounting firms to handle the daily transactions of several small boards.

3. Services for Native People

The ministry has developed and published a curriculum resource guide about native peoples for use at primary and junior levels. A resource guide for intermediate students

(PONA II) has recently been prepared. In addition, programs for the training of native teachers and para-professionals have been established.

Native students who must leave their community to attend secondary school often require assistance in making the transition to a new environment. In two areas, Red Lake and Thunder Bay, the Ministry of Education and the Ministry of Community and Social Services have cooperated in providing counselling and tutorial help, as well as support to meet students' needs with respect to shelter, food, clothing, school supplies, and health care.

Proposed Strategies for Future Development

1. Services in Small and Remote Communities

Three alternative strategies are proposed to facilitate the planning and administration of educational services in schools operated by the 19 smallest boards in Northwestern Ontario.

- The ministry might increase the range and quantity of service provided by the regional office.
- A cooperative organization might be formed that would pool the resources of individual boards in order to develop equally accessible capabilities in curriculum and professional development and long-range planning.
- All the boards might be merged into a single unit, which might be called the Northern Corps Board.

Recently, an approach related to these alternatives has been introduced. A private service company has been set up and is providing accounting and bookkeeping services to six boards, with more to follow. To improve the relevance of program content, the ministry proposes also to hire experienced teachers on contract to develop materials suitable for schools in remote areas. In this connection, since September 1, 1977, an Education Officer with primary

specialist qualifications on exchange from the Lakehead Board of Education has been working with remote schools to develop suitable programs for northern pupils.

The use of correspondence courses prepared by accredited faculties of education is could be encouraged as a measure to upgrade the skills of teaching staff in isolated communities.

The efficient and effective provision of educational services in very small, isolated areas is plagued by social and economic difficulties that are almost insurmountable, given the available financial and human resources. It therefore seems logical to discourage the development of such settlements in the future.

To improve the administrative capability of boards of marginal size, the ministry will explore the appointment of a director for any board with 1,000 to 2,000 students, with funds to help cover the additional salary cost. On this basis, approval has been granted to the Red Lake Board of Education to appoint a Director of Education.

Boards that have access to curriculum and professional development resources could usefully share their knowledge with smaller, less experienced boards. To facilitate the exchange of information, it is proposed that the ministry's regional office compile and maintain an annual list of such resources, which would be available to any board on request.

Regardless of the improvements that are made in the management of educational services, their effectiveness will still be limited as long as communities fail to provide a supportive social and cultural environment. To remedy the problems identified earlier, the following strategies are proposed:

- The province would continue to provide support and incentives for community and school programs through the Community School Development Fund.

- The Northwestern Public Service Advisory Board, or some other interministerial agency, would maintain frequent consultation and joint planning among provincial ministries to ensure that community development activities are coordinated and receive adequate financing.
- The Ministry of Education proposes to encourage cooperative arrangements with other ministries to fund night school programs whose content is specially designed to meet regional needs (that is, having a cultural, social, or recreational focus).
- In view of recent changes in the awarding of education grants for adult education, the Ministry of Education proposes an ad hoc interministerial committee embracing the five ministries in the social policy field, to outline their future respective responsibilities in funding programs for social development activities in small communities.

The effect of travel on student achievement is another issue that needs to be addressed. Boards should be encouraged and assisted by the regional office to review factors affecting the health, safety, and achievement of students riding buses to school over long distances. In addition, the ministry should establish standards for school buses operating in northern locations and provide grants to compensate boards for the cost of maintaining a satisfactory level of service. An ad hoc committee is proposed with the ministries of Education, Health, Community and Social Services, and Transportation and Communications to prepare guidelines for measures to meet the special needs of students taking buses to school, to ensure that travel requirements do not impair their ability to achieve. Recently, the Ministry of Education has established a special approval process to help boards acquire and operate highway quality buses for students travelling long distances daily to school.

Finally, to reduce the number of students required to leave their home community to

attend secondary school, consideration should be given to the establishment of schools in some areas which would offer programs from kindergarten to grade 13. Innovative approaches to curriculum planning, the use of staff who are qualified to teach kindergarten to grade 10 and grade 7 to grade 13 and the use of correspondence courses could allow students to remain in their home community throughout their elementary and secondary schooling. Possible locations for comprehensive schools are Ear Falls, Pickle Lake, and Nakina if school-age population increases sufficiently. Schools in Ignace and Rainy River currently offer programs to the end of grade 12.

2. Organization of the Regional Office

A possible consolidation of the 19 smallest boards, the provision of a director for a board with 1,000 to 2,000 students, and the consolidation of small boards with larger ones are measures that together would substantially reduce the current overload on regional office staff.

The hiring, on short-term contracts, of one or two experienced persons who can provide professional and curriculum development services to teachers in remote schools can also be of benefit.

A further measure that would assist regional office staff in carrying out their work would be the installation of telephone equipment to improve direct communication with several schools in isolated areas.

3. Needs of Native People

Several strategies are proposed for improving educational services for native people. First, social and educational counselling services might be provided in all communities where students of native ancestry attend public secondary schools. Wherever possible, native people should be employed as counsellors. Efforts in this direction already have been undertaken. During the summer of 1977, the ministry offered at Laurentian University an initial course of a three-course sequence leading to a new certificate for counsellors of native children.

Second, curriculum planning can take into account the special needs of native students who are required to be absent from school at certain times of the year. Consideration also should be given to the granting of high-school credits for work experience related to vocational or technical training.

Third, negotiations are to be carried out with the federal government to settle the question of financial responsibility for providing educational services to native people who leave Reserves. The possibility of transfer payments from the federal government to the provinces is being explored. The terms of reference and membership of a Council on Native Education are in the process of being established by the Ministry of Education in consultation with the native organizations in the province and the Department of Indian Affairs and Northern Development.

In 1976, the Task Force on the Educational Needs of Native People, sponsored by the Ministries of Colleges and Universities, Culture and Recreation, and Education, completed its final report. In addition to the measures proposed above, the Ministry of Education is studying the task force recommendations and seeking to implement those that will help to improve services at the elementary and secondary levels.

Post-secondary Education and Manpower Training

Provincial Mandate and Policy Focus

The Ministry of Colleges and Universities has a responsibility to respond to the need for post-secondary education and manpower training in Northwestern Ontario, within the limitations imposed by the availability of financial resources. In developing and implementing programs, the ministry relies on the recommendations of three advisory bodies: the Ontario Council on University Affairs, the Ontario Council of Regents for Colleges of Applied Arts and Technology, and the Industrial Training Council.

The first two councils draw on the knowledge and ideas of institutional officials and regional members of boards of post-secondary institutions, while the Industrial Training Council receives suggestions from labour organizations and employers.

With respect to universities, the ministry is concerned with the eligibility of programs for provincial funding, total funding requirements of Ontario universities, and the allocation of funds to particular institutions. For colleges of applied arts and technology, the ministry contributes to the planning, development, and coordination of programs by analyzing the plans of specific institutions, relating them to the province's ability to provide fiscal support, and supplying technical assistance to college administrators in using available resources to meet their educational objectives. Finally, in the area of manpower training, the ministry works closely with the Industrial Training Council, business and industry, government agencies, and training institutions, to determine the training needs of persons in the labour force and to meet these needs through the development and implementation of a variety of programs.

Major Issues

Three main issues relating to Northwestern Ontario are of particular concern to the Ministry of Colleges and Universities.

1. Access to Services

The vastness of the Northwestern Ontario region, its remoteness from other parts of the province and the dispersion of the population inhibit ready access to post-secondary education and manpower training for regional residents. In the case of educational services, the lack of facilities and social amenities in small communities inhibits the decentralization of programs from institutions in the larger centres; and many communities are too remote to permit easy travel to and from these institutions. In the area of manpower training, there is a shortage of training facilities in the region,

resulting from the difficulty of attracting qualified personnel to deliver programs and from the scattering of potential trainees among many remote communities.

2. Manpower Training Needs

Northwestern Ontario is troubled by both a shortage of labour and pockets of heavy unemployment. The technological development of primary industries has reduced the number of workers employed and at the same time increased the skill requirements of jobs. Although there are many persons in the region who undoubtedly could be trained for specialized jobs, the high cost and physical problems of either taking programs to communities or bringing trainees from distant areas to a central facility have discouraged the development of regional training programs. In many cases, it has proved more economical to draw skilled workers from the largest centres in the region and from other parts of the province than to upgrade the qualifications of the local labour force.

3. Needs of Native People

The federal government is regarded as having primary financial responsibility for providing educational and manpower training services to Registered Indians. The province does, however, participate in program development and implementation by working in collaboration with the federal Department of Indian Affairs and Northern Development, Department of Employment and Immigration, and native community leaders. As in other areas of social development, the sharing of jurisdictional responsibilities has tended to produce gaps in services. In addition, there has long been a need to tailor educational and training services to the particular cultural and socioeconomic needs of native people.

Program Response

A number of improvements in programs have been achieved in recent years.

1. University Education

Over the past decade, Lakehead University in Thunder Bay has evolved from a technical institute into a full-fledged university. In

1975-76, 2,619 full-time and 2,774 part-time students were enrolled in Lakehead's nine faculties or schools.

Many programs have been structured to meet specific regional needs. For example, in 1975, the Faculty of Education introduced a teacher education (diploma) program for native people which was designed to increase the number of qualified native teachers in Northwestern Ontario. In 1975-76, 23 students enrolled in the program, and the enrolment for 1976-77 was 37.

In addition, a Continuing Education Department was established by Lakehead to provide access to a variety of programs for residents of small or remote communities. In 1976-77, between 50 and 60 courses were offered in Dryden, Geraldton, Kenora, Manitouwadge, Marathon, Atikokan, Ear Falls, Fort Frances, Ignace, Longlac, Rainy River, Red Lake, Sioux Lookout, and Vermilion Bay. The average enrolment in each course was 12 students, many of whom were elementary school teachers completing degrees in order to comply with Ministry of Education requirements. To encourage institutions to offer courses in small or remote communities, the Ministry of Colleges and Universities provides a special "distance allowance" in support of programs available in settlements that are at least 75 miles from a post-secondary institution, and which meet specific enrolment criteria.

2. Other Post-secondary Education

Confederation College of Applied Arts and Technology offers 46 regular programs and 29 short programs on three campuses in the region, located in Thunder Bay, Kenora, and Fort Frances. In 1976-77 total full-time and part-time enrolment was 13,994, and slight increases are anticipated over the next three years.

Through its continuing education program, the college holds regular classes in 47 Northwestern communities. Mobile facilities have recently been introduced to extend these services to small and remote communities. To meet the needs of native people, the college offers academic upgrading and other skill-development programs on about 25 Reserves.

Two other post-secondary institutions in the region are administered by the Ministry of Colleges and Universities: a regional nursing assistants' school and a private vocational school, both located in Thunder Bay. There is also a private, non-profit institution in Quetico Centre that offers management training and fine arts programs, as well as some adult training services (discussed in more detail below).

3. Manpower Training

The Ministry of Colleges and Universities, Confederation College, Quetico Centre, and the federal government together support and administer four types of manpower training programs in Northwestern Ontario: general adult training, apprenticeship training, training in business and industry (TIBI), and the Canada Manpower Industrial Training Program (CMITP). All except the first type are available in small and remote communities, as well as the larger centres.

Adult training programs administered by Confederation College are provided continuously in Thunder Bay and Kenora and as required in some medium-sized communities. Tuition costs and training allowances are funded by the federal government under The Adult Occupational Training Act. The province is responsible for program development. Federally funded programs also are provided at Quetico Centre.

Traditional apprenticeship programs have been flourishing in Northwestern Ontario. During the past 18 months, three in-school apprenticeship block-release programs have been established at the Thunder Bay campus of Confederation College; and in January 1977, a new district office was opened in the same city, to provide information and services with respect to all programs offered by the Ministry of Colleges and Universities.

Confederation College provides assistance to small businesses and industries in the community that wish to participate in the TIBI program. The primary purpose of the

program is to assist individuals in the labour force to upgrade their skills and improve their employment positions. A secondary objective is to encourage competition between businesses and industrial concerns and thereby strengthen the Canadian economy.

In recent years, the federal government has been stimulating interest in the CMITP in Northwestern Ontario, by identifying training needs in industry and subsequently calling on the ministry and the staff of Confederation College to develop a training schedule.

Finally, attention has been directed to the training needs of native people. Adult training programs are offered on many Reserves, and they cover a wide range of subjects, such as English, academic upgrading, urban living, prospecting, and geophysics. Specific programs that have been implemented or planned in the region include training in employment skills for residents of Pickle Lake, a pilot project (Life Skills for Employment) at Osnaburgh Reserve, welding training at Grassy Narrows Reserve, and a Life Skills for Employment program in the Pukaskwa area.

Future Directions

The ministry will continue to respond to identified needs for post secondary education and manpower training in Northwestern Ontario. Given the main issues to be resolved in the region, it can be assumed that future initiatives should focus on improved access to services (here it should be noted that coordination with other responsible government and private agencies will be important); the upgrading of the employment skills of the local labour force; and the provision of services and programs to native people, in accordance with the needs identified by their own representatives and by government.

Culture and Recreation

Provincial Mandate and Policy Focus

The Ministry of Culture and Recreation was established in April 1975, bringing together cultural and recreational programs existing throughout the government. The ministry is entrusted with three tasks:

- To preserve and maintain the cultural heritage of Ontario residents, with full recognition of their diverse traditions and backgrounds;
- To promote access to the benefits of citizenship, and to promote active involvement in the cultural and recreational life of the province;
- To stimulate the development of new forms of cultural expression and promote the concept of individual and community excellence.

In carrying out its mandate, the ministry attaches high priority to ensuring access to its services by supporting, coordinating, and stimulating individual and community initiatives. Ministry field consultants play a key role in achieving these objectives by reflecting ministry concerns at the local level and by responding to the community cultural and recreational interests and needs. In addition, ministry objectives are achieved through an "outreach" approach, whereby ministry programs are decentralized throughout the province through extension programs specifically designed to meet the expressed needs of local or regional groups or communities.

Close interrelationships exist between the activities of the ministry and those of other provincial, federal, municipal, and private organizations. Recognizing these interrelationships, the ministry attempts to work cooperatively with other agencies in providing cultural and recreational services to communities throughout the province.

Major Issues

The ministry has identified three areas of concern to Northwestern Ontario in its area of responsibility.

1. Relevance of Programs to Local Requirements

One of the difficulties associated with program delivery in Northwestern Ontario is the potential inapplicability of programs designed for universal application in the province. That is, new programs designed without the flexibility to meet the specific needs of the region may fail to be fully utilized because they are inappropriate.

Another factor that affects the delivery of ministry services to Northwestern Ontario is the existence of two main focal points for cultural and recreational services: Thunder Bay and Winnipeg. Broadly described, there exists the attraction of Winnipeg for "professional" services such as theatre, ballet, sports, and television programming; and conversely, a pull to the regional centre of Thunder Bay for "amateur" services such as recreational sports and local entertainment. One of the issues faced by the ministry is the need to encourage the development of services that direct support, interest, and participation to local and regional endeavours without lowering their quality or scope.

2. Cost of Services

The outreach approach to program delivery is an effective way of meeting community needs for cultural and recreational services. In Northwestern Ontario, however, it is difficult to provide outreach programs at a reasonable cost, given the large distances between communities and the small population in individual settlements.

Outreach programs entail the transportation of large quantities of materials to communities throughout the province. Because population centres in Northwestern Ontario are scattered over a vast area, transportation costs for programs delivered in the region tend to be high. In addition, a great deal of time is taken up in circulating programs among communities. When the cost of delivery is related to the number of

people served, it is apparent that it is higher, on a unit basis, than the cost in other, more densely populated regions.

Cost is also an important factor in the ability of communities to sponsor cultural and recreational services. In settlements with a small population and a low tax base, there are few resources available for the construction and maintenance of facilities; and the relatively low level of use of facilities, once completed, makes it difficult to justify the expenditure from an economic point of view.

3. Needs of Native People

As noted elsewhere in this document, the native population of Northwestern Ontario is increasing steadily, with a large proportion of native people below the age of majority. In addition, there exists a migratory trend of native people to the urban centres of the region. As a result, native people throughout the region are experiencing the problems of cultural conflict, a situation exacerbated by added pressures relating to resource development, land claims, and the social and economic future of the native population. These circumstances create a need for cultural and recreational programs that are highly supportive of native values and objectives.

Program planning for native people requires close cooperation and coordination between the Ministry of Culture and Recreation, other provincial and federal ministries, and native representatives, in order to achieve maximum use of financial and human resources. It is essential that programs should meet the identified needs of native groups and that the sharing of responsibilities should not create gaps or overlaps in services provided.

As part of its concern for fostering a greater awareness of the multicultural reality of Ontario, the ministry will continue to work with native people in maintaining their cultural heritage and integrity if they so desire, and to assist them in defining their role in the multicultural context.

Program Response

In the three years since the ministry came into being, policies in eight main areas have been maintained, augmented, or initiated relating to the provision of cultural and recreational services in Northwestern Ontario.

1. Ontario Educational Communications Authority

Currently, programming of the Ontario Educational Communications Authority (OECA) is being transmitted by microwave to Thunder Bay and then to cable subscribers. In 1977, the OECA commenced construction of a television broadcast transmission station that will bring the full 16-hour-a-day educational network service to the Thunder Bay area and, by cable pick-up, to Red Rock-Nipigon in 1978. Videotape packages consisting of five hours of daily programming are sent weekly to seven locations in the region for distribution through cable television networks. All programs in the OECA catalogue are available to educational institutions. Furthermore, to promote understanding of the effective use of OECA audio-visual programming, workshops are held with university staff, school boards, library staff, and other groups.

2. Heritage Programs

The ministry has invested substantial funds in the restoration of Old Fort William in Thunder Bay. Besides the economic advantages of drawing tourism to the region, the fort seeks to present visitors with a view of Ontario's frontier history and the role of the Indian and settler populations.

In addition, grants have been awarded to several communities to aid in developing and maintaining local historical museums. Recipients include such communities as Ear Falls, Kenora, Emo, Atikokan, Fort Frances, and Thunder Bay.

3. Cultural Programs

Under the Outreach Ontario and the Festival Ontario programs, major agencies of the ministry receive funds for the presentation in the smaller or more isolated communities of art shows, science exhibitions, lectures,

demonstrations, film festivals, historical displays, and similar events, planned in conjunction with community organizers. Other recent undertakings include the participation of Festival Ontario in the Dryden Craft and Hobby Show in April 1975 and the Fort Frances Fun in the Sun Days in July 1975; the awarding of grants by the Ontario Arts Council in support of regional and local touring arts, theatre, and symphony groups; the development of a program to provide funds for regional meetings of community representatives for the purpose of overcoming problems of communication and transportation in providing community arts programs in the region; and the provision, through the Art Gallery of Ontario extension programs, of circulating exhibitions, the artists-with-their-work program, and resource and advisory services in various communities in the region.

4. Wintario Grants Program

The ministry administers the Wintario Grants Program to respond to the initiatives of non-profit community-based groups by sharing in the cost of special one-time projects or events not otherwise funded through regular government programs. Wintario grants are available on a matched funding basis for physical fitness, sports, recreational, and cultural activities. Projects involving capital costs in northern and eastern Ontario are eligible for up to 50 per cent of the capital cost based on a \$2 for \$1 matching basis after other provincial and federal subsidies have been deducted. Thus ministry capital support could be as high as three-quarters of the cost of a recreational facility, when funding from The Community Recreation Centres Act also is provided.

5. Special Provisions for Small Communities

In addition to Wintario funding, other ministry programs include special provisions helping small northern communities provide cultural and recreational services. For example, public libraries in Northwestern Ontario are eligible for additional funding according to distance. Support is also given to small communities to assist them in the development of recreational programs.

6. Establishment of Mixed-use Facilities

To make the most effective use of capital and other resources, the ministry is encouraging the creative sharing of facilities and programs wherever joint use is feasible. For example, public and school library services may be housed in one building, with the school library receiving public library funds if it provides services to the general public; community centres may be used for a variety of cultural and recreational purposes; similarly, library services may be joined to an information or referral centre.

7. The Indian Community Secretariat

The Indian Community Secretariat provides direct support services to the Advisory Committee on Native Affairs, which is responsible for coordination of provincial policy development in relation to native people and coordination of communications between government and native representatives. The secretariat also offers advisory services to native people, both on and off reserves, in the areas of leadership development and self-government; and it funds projects that will assist native groups to identify their own community needs and the means to meet them. In Northwestern Ontario, substantial grants have been awarded to finance regional and province-wide meetings of Band representatives.

8. Programs for Native People

In support of sports and fitness for native people, the Office of the Athletics Commissioner supplies sporting equipment to Indian Bands; support has been provided for the Indian Winter Games and a youth development conference at Sandy Lake; and the ministry has participated in providing a native instructor in physical education to visit schools throughout the region.

Under The Community Recreation Centres Act, Indian Bands are eligible to receive funds for the construction of recreational facilities. In 1975-76, five Bands received grants for community halls, an athletic field, and a skating rink.

To encourage the preservation of native culture, the ministry has provided salary costs for native crafts instructors in the Sandy Lake, Big Trout Lake, and Fort Hope areas. In addition, funds have been

made available for the acquisition of special library collections to meet the unique interests of native groups. Financing has been provided also for the establishment and maintenance of Indian Band libraries in Northwestern Ontario.

Proposed Strategies For Future Development

1. Relevance of Programs to Local Requirements

To ensure that ministry programs are supportive of community interests, the ministry is committed to developing close liaison with Northwestern Ontario communities through the use of field staff, ensuring an awareness of ministry initiatives, and ensuring flexibility in provincial programs so that they can be adapted to specific local and regional needs. The outreach program will continue to provide a principal means to foster indigenous cultural and recreational development, and encourage a greater exchange of resources, as well as ensure that communities with limited resources benefit fully from provincial initiatives.

2. Cost of Services

To minimize the costs of providing cultural and recreational services to communities in Northwestern Ontario, the ministry proposes to explore and encourage innovative methods of program delivery, such as the development of mixed-use facilities, the coordination of programs with related content, and the establishment of cooperative arrangements with other ministries to share the cost of staff and facilities.

3. Needs of Native People

The Indian Community Secretariat will continue to encourage native groups to develop their leadership potential and will contribute to the resolution of socioeconomic problems through the funding of special projects. The province is pursuing discussions with the federal government and the native organizations concerning services for native people, with a view to resolving jurisdictional problems, improving service delivery, and avoiding wasteful duplication.

Chapter 6 Justice

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Introduction

The Justice Policy Field is composed of four provincial ministries: The Attorney General, Consumer and Commercial Relations, Correctional Services, and the Solicitor General. Each ministry has different but related responsibilities in the implementation of justice policy and programs in the province.

The Ministry of the Attorney General directs and supervises the administration of justice. It is the legal representative for the Crown in the right of Ontario before all courts in the province and provides legal services to the government and to its agencies. The ministry is responsible for managing the civil and criminal courts in Ontario and operates statutory administrative tribunals reporting to the Attorney General.

The Ministry of Consumer and Commercial Relations monitors the commerce of the province, setting commercial and technical standards. It protects the consumer and business community through legislation, supervision, and information. The public entertainment standards at horse races, at theatres, and in lotteries are a concern of this ministry. The ministry also administers the Motor Vehicle Accident Claims Fund. The importation, distribution, and sale of alcoholic beverages, and the issuing of licences and the inspection of licensed establishments are under the control of the Liquor Control and Liquor Licence Boards. The ministry is responsible for property rights and operates the land registry offices and personal property security registration throughout the province. It administers The Marriage Act and holds records required under The Vital Statistics Act.

The Ministry of Correctional Services is responsible for providing institutional services for all adults remanded in custody by the courts, as well as those sentenced to terms of less than two years. In addition, the ministry provides supervision for all adults sentenced to terms of probation, as well as those granted parole by the Ontario Board of Parole. Additional community-based programs, such as the Temporary

Absence Program and Community Resource Centres, are operated by the ministry to meet the needs of offenders.

The Ministry of the Solicitor General is in charge of public safety, which includes scientific investigation, fire safety services, and the coroner's system. It is also responsible for the Ontario Police Commission, which has the primary function of promoting the efficiency of police forces in Ontario; and for the Ontario Provincial Police (OPP), which is a major presence in Northwestern Ontario, particularly outside the major communities.

Initiatives Since 1971

A range of programs and policies specifically affecting Northwestern Ontario has been implemented in the past few years by ministries in the Justice Policy Field. Many of these initiatives have been directed towards the improvement of the justice delivery system for people in remote settlements and for the native population of the region.

Ministry of the Attorney General

1. Travelling Courts

The use of travelling courts to service settlements in the near and remote northern parts of the region has been expanded. "Northern Tours" include the judge, Crown counsel, duty counsel, court reporter, often a native court worker, an OPP representative, and a probation officer. In native communities, the Chief and members of the Band Council are invited to attend all court hearings and may be involved in sentencing decisions.

2. Provincial Prosecutors

A program has been established to replace police officers by Provincial Prosecutors. The long distances between northern settlements and the resultant scheduling problems limit the full use of Provincial Prosecutors in some areas. Budget restraints on new staff hiring have delayed full implementation of the program.

3. Participation by Native People

There is now a greater involvement of native people in various aspects of the judicial process. Native court workers attend court sittings to advise native people of their right to counsel, inform them generally about what to expect of court procedure, and provide related information on matters such as legal aid. This program is provided under contract with the Ontario Federation of Indian Friendship Centres. More native people serve as jurors, and recruitment of justices of the peace from the native population is under way.

4. Legal Aid Services

While the Legal Aid Task Force Report was being completed, Legal Aid Area Directors were empowered to issue travel warrants and to accept long distance calls from persons in urgent need of legal advice. These practices have alleviated, to some extent, the problems of access that result from centralized delivery. Civil legal aid is also being used by native people. The Legal Aid Task Force Report is now under consideration, but implementation of its recommendations is affected by financial constraints.

Ministry of Consumer and Commercial Relations

The ministry is centralized, with the exception of its consumer protection, property registration, and registrar functions, which are available through local facilities throughout the province.

1. Ministry Presence in the Region

An office of the Consumer Protection Bureau has been opened at Thunder Bay, and both the Technical Standards Branch and the Credit Unions Inspection Branch have an inspector based in that city. The ministry also operates property rights offices, offices of the Registrar General, and liquor stores in the region. In addition, the ministry maintains two-way communication with the region through government agencies, the media, and various associations in the Northwest, thereby increasing awareness and understanding of its functions.

2. Consumer Education Program

The main initiative by the ministry has been the implementation of a consumer education program financed through the Regional Priority Budget. All schools and libraries in the region have received copies of resource material. The ministry intends to update and expand this material to keep recipients informed of its activities.

3. Liquor Control

The sale of fortified wines has been banned by the Liquor Control Board of Ontario in some parts of the region.

Ministry of Correctional Services

1. Improvements to the Kenora Jail

A new section of the Kenora Jail permits some women serving long terms to do so near their homes. A program for alcoholics also is being developed in this facility.

2. Volunteer Probation Project

A volunteer probation project is continuing in Northwestern Ontario, providing opportunities for native people to become involved in the supervision and support of native persons, both adults and juveniles, who continue to live in the community but are subject to probation orders or require supervision while completing a sentence on

3. Community Resource Centres

The ministry has instituted a community residential centre program in the Northwest as an alternative to the expansion of correctional institution facilities. These small and, in some cases, mobile Community Resource Centres provide bases from which selected inmates can depart each day to work in the surrounding community. The two mobile camps, located to provide access to bush work, are operated primarily for native inmates and are also staffed by native persons. These mobile units are the only Community Resource Centres operated directly by the ministry, but it is intended that they will be turned over to native groups. All Community Resource Centres

located in Northern Ontario admit probationers and parolees when bed space is not occupied by inmates, in order to make full use of their physical capacity and rehabilitative potential.

4. Employment of Native People

Native people are employed wherever possible in Correctional Services. Examples of such employment include the Native Volunteer Probation Project; the Community Resource Centre in Thunder Bay, which is operated under contract by the Thunder Bay Native Women's Association; Community Resource Centres at Red Lake and at Cygnet Lake; part-time employment of native counsellors at the Fort Frances Jail and the Kenora Jail; and the employment of native correctional officers at the Correctional Centres in Thunder Bay and at the Kenora Jail.

5. Life-skills Programs

Life-skills programs have been introduced for inmates in all jails in Northern Ontario, supported by grants under the Regional Priority Budget.

6. Native Scholarship Programs

Native scholarship programs have been introduced for native students enrolled in educational programs related to the correctional field.

Ministry of the Solicitor General

1. Reserve Policing Project

The Ontario Provincial Police has launched a Reserve Policing Project to intensify its presence in northern native communities, and it now operates on 30 Reserves in Northern Ontario. Specially selected officers have attended a two-week training course in native culture at Lakehead University. The OPP has placed portable offices and police officers on or near several Reserves. Included in the Reserve Policing Project is the

operation of two single-engine aircraft, used for regular visits to northern Reserves. Officers reach the Reserves by fly-in patrols and regular flights, at intervals determined by normal as well as special circumstances.

2. Band Constables

Under a cost-sharing agreement with the federal government, Band Constables are appointed by the OPP Commissioner under The Police Act of Ontario as Special Constables for policing of Reserves. By the end of 1976, 21 Band Constables were serving 18 Reserves in the region.

3. Police Radio Systems

The region has benefitted from an integrated radio services program designed to assist municipal police forces in Ontario. The program provides a common communication capability to police forces throughout the province and coordinates the development of police radio systems.

4. Regional Liaison Committees

Liaison committees have been established by the OPP to meet with Chiefs of various Indian Bands for the purpose of discussing policing, courts, and related issues.

4. Police Services in Kenora

A grant was made to the Kenora Police Department to cover the costs of hiring additional police, especially native police, and a native advisor to the Kenora Board of Commissioners of Police, and to provide funds for an educational program in race relations for all members of the Kenora Police Department.

4. Coroner's Inquests

The Chief Coroner's office operates a program for the appointment of Regional Coroners in all areas of the province. The number of inquests into the deaths of native people is expected to increase, and these inquests probably will be held on Reserves, with native people serving on the jury.

5. Fire Departments and Equipment

The Office of the Fire Marshal has developed projects under which fire departments have been established, and fire-fighting equipment has been placed in three previously unserved communities.

Current Issues and Future Directions

In its publication *Justice Policy in Ontario*, the Justice Policy Secretariat describes its role and the role of its constituent ministries as follows:

“The Justice function encompasses responsibility for the effective resolution of conflict between individuals, between individuals and society, between individuals and organizations — including government agencies — it must also be concerned with the prevention of conflict.”

A justice strategy for the Northwest, consistent with the preceding quotation, must be concerned with resolving conflicts effectively, as well as preventing conflicts whenever possible, either through actions by the justice ministries or by appropriate developmental efforts in other areas.

The proposals that follow outline current responses of the justice ministries to problems related to their policy area, and they suggest possible future policy directions. It must be emphasized, however, that these critical problems are a reflection of larger problems in the region that cannot be resolved by the justice ministries alone, but only by concerted efforts to improve the region's social and economic conditions.

Prevention

The primary goal of the justice ministries concerned with crime should be prevention. The ultimate key to prevention, however, is broad-based efforts in social and economic programming; that is, creation of economic opportunities, life-skills training, alcoholism rehabilitation programs, and mental health improvement. Responsibility for most of these efforts properly lies outside the Justice Policy Field.

Nonetheless, the justice ministries should be involved in prevention by emphasizing the community resolution of problems (so that the formal legal system is used only as a last resort); and by promoting a rehabilitative approach to corrections, which tries to

ensure that offenders do not continue to commit offences. Some successes in these areas have been achieved through the Volunteer Probation Project for native communities, life-skills programs in jails, and increased contact between justice personnel and the communities in the region.

Community-based Justice

The administration of justice needs to be brought closer to the local community, so that it shares directly in the resolution of conflicts. Community participation in the planning and administration of community-based preventive policing, courts, detention, and rehabilitation is desirable. The benefits of community-based justice lie in the possibilities for preventing problems, detecting problems before they become serious, and reintegrating offenders into the community. Some initiatives have already been taken in this regard, such as the creation of group homes for juveniles and community resource centres for adults, the increased contact between the OPP and public schools, and the use of community residents as probation officers. The potential for the greatest benefit, however, lies in programs of community development aimed at crime prevention. Initiatives in recreation, life-skills education, and employment training are likely to produce beneficial effects in the justice area. Programs of this kind inevitably require the cooperation of educational services to train the staff needed to administer them.

Native People and the Law

Records show that native people are involved to a disproportionate extent in the procedures of the criminal justice system in Ontario, and substantial numbers are detained in correctional institutions. The situation is complicated; but it might be noted here that native people, as a visible minority, have a high profile in their dealings with the law. Solutions to native problems lie, for the most part, outside the

jurisdiction of the justice ministries. Only by social and economic measures contributing to the strengthening of the family and community life of native people are these problems likely to be resolved.

The ministries in the Justice Policy Field can, however, make an important contribution to native development by creating a justice system that responds to the needs of native people in their dealings with the various aspects of the legal system: policing, courts, legal aid, and corrections. In this regard, a number of important steps have been taken.

This chapter has already discussed improvements in the policing of Reserves, including the Band Constable program, the increasing involvement of native people in the court system, and the introduction by Correctional Services of life-skills programs and programs involving native counsellors and volunteer probation officers. A Native Council on Justice has been created in Ontario to bring together representatives of native organizations, with liaison to the justice ministries.

Policing

Policing is perhaps the most critical aspect of justice in the Northwest. The style of policing employed, the relationship of communities to the police force, and the training and qualifications of police personnel have a crucial effect on how the system functions and how it is perceived. In recent years, the OPP has directed substantial efforts towards developing a police force with the variety and flexibility to respond to the particular needs of communities in the region. Specific initiatives of the OPP have already been described. These efforts will continue, and it is intended to expand and improve upon current activities—for example, by providing better training for police personnel, including regular seminars for native constables.

Drunkenness and the Law

The consumption of alcoholic beverages by persons in conflict with the law is a matter of concern in the Northwestern Region. The problem includes incidences of public drunkenness, as well as other offences in which alcohol is a primary factor. In part, the concern is related to recent changes in liquor control legislation: the emphasis in the treatment of public drunkenness has been shifted away from arrest and towards the use of detoxification and rehabilitation procedures.

The police have been given the option of taking individuals intoxicated in a public place to a detoxification centre instead of laying charges. Conditions for arrest are stated to be when “necessary to protect that person or another from injury.” Thunder Bay and Kenora have been included among the 11 Ontario communities designated for location of detoxification centres. It is now timely to assess the effects of the changed legislation in Northwestern Ontario as well as throughout the province.

Juvenile Problems

Statistics show that juvenile crime is an urgent problem in the region, particularly in small single-industry communities with few social outlets. Major efforts are required to minimize juvenile crime, to develop new approaches to dealing with juveniles in their community, and to rehabilitate delinquents. The province has taken some important steps in these areas; for example, by creating small group homes as alternatives to large institutions, by using community residents as probation officers, and by funding community prevention projects. Much remains to be done, however, including the development of diversionary activities in communities of critical concern. Youth-oriented recreation and entertainment programs, creating means whereby juveniles can adjust to their own communities, are of particular value; also needed is a concerted effort to build a more positive image for native people, through the education system and the regional communications media.

Reorganization and integration of juvenile services is anticipated as a result of the formation, in April 1977, of the Children's Services Division in the Ministry of Community and Social Services (described in Chapter 5). Before the integration, the Ministry of Correctional Services appointed eight Area Administrators in the Juvenile Programs Division, in an effort to provide for area programming. The Area Administrator for the Northwest is located in Thunder Bay. There is a need for a regional observation-detention type of facility, so that some offenders do not have to be sent to Southern Ontario. In addition, the possibility of establishing associated service facilities should be explored. Such facilities could effectively meet the needs of the courts, correctional services, children's aid societies, and health services, and they could effect considerable economies in service delivery.

Education and the Law

A major problem in the Northwest is a lack of understanding of the law, particularly among native people. It is necessary to develop a greater knowledge of the law in the region, and to increase the accessibility of legal services. A number of approaches to developing this capability in the region can be tried. General education through regional communications media is necessary. Portable video-taped information could be prepared. Consideration is being given to the native court workers having a broader role in native communities. Finally, ways need to be found to attract lawyers to practice in smaller communities in the region.

Consumer Protection

The isolation of the Northwestern Region as a whole, the low population densities, and the immense distances between centres have a major impact on consumers, in terms of their awareness of consumer protection legislation; the availability to them of necessary services; the prices and varieties

of goods available to them. An intensive effort to inform consumers of their rights is currently under way, and services are being expanded along the lines described earlier in this document. With respect to the prices and variety of goods available, while there are those who would accept that higher prices and fewer commodities are the price one must be willing to pay for the benefits of living in the northland, there is a general feeling that people in the region are being penalized. Further study of this issue, particularly with regard to such commodities and services as food, gasoline, and insurance, would assist in developing an accurate picture of the situation and devising ways of alleviating current dissatisfactions.

The Ministry of Consumer and Commercial Relations recognizes the need for a publication that would provide the native population with information in the consumer field relevant to them. Background material is being prepared and will be reviewed with native groups before publication.

Fire Protection

The Office of the Fire Marshal continues to study fire protection needs in unorganized and isolated areas. The Ministry of the Solicitor General is endeavouring to provide funds for County and District Fire Coordinators who will be responsible for the establishment of mutual aid programs and for encouraging their areas to develop communications and training facilities for firefighters. Consideration is also being given to a program to encourage the use of warning devices in homes in isolated areas.

Chapter 7

Community Settlement

Impact of the Proposed Economic Development Strategy

Chapter 3 outlined an economic development strategy that emphasizes some diversification of the regional economy, primarily in activities directly related to the natural-resource base. The pursuit of this strategy would not have a major impact on the existing community pattern. Also, the upgrading of community facilities and infrastructure would continue to be a prime focus for government investments.

The province has generally favoured the expansion of existing communities rather than the establishment of new settlements in support of resource development. This policy would continue under the proposed strategy. Benefits of the approach include increased use of existing facilities, extension and strengthening of the community base, and avoidance of developing new single-industry towns. Much of the region is within commuting distance of existing settlements. Thus, through the establishment of commuter systems, most new development could be served from existing communities. Disadvantages of this approach include the need for commuters to readjust their family life to a certain extent and the increase in energy consumption associated with an extended transportation system.

Pursuit of the economic development strategy described in this document will require a re-evaluation of current community planning approaches. Since major manufacturing and service industries will probably continue to locate mainly in the larger centres, it is felt that, in general terms, existing community planning and housing programs are adequate to cope with growth. But to the extent that expansion of the resource industries (particularly mining) will require new settlements or greatly expanded existing communities, new cost-sharing arrangements, new programs, and improved project management mechanisms will be necessary. Similar policy initiatives will be needed to deal with communities whose resource base is declining. These issues are discussed further in the following pages.

Settlement Policy Since 1971

The policy statement on the Northwestern Ontario Region,¹⁷ issued in August 1971, enunciated the province's economic and social development policies for the region. The statement adopted a plan that aimed at directing economic growth within a hierarchical system of 14 centres of opportunity. This approach was based on the concept that not every community in such a vast region would have the same potential for expansion.

The designation of "areas and centres of opportunity" was intended to provide a framework for investment by both government and the private sector. The growth areas were intended to be the delivery mechanism for achieving improved economic and social opportunities for all the people of the region.

As noted earlier, there has been a strong commitment to community development in the Northwest since 1971. Nearly three-quarters of the funds made available in the region through the Regional Priority Budget have been allocated to improving community infrastructure and increasing intercommunity linkages. In addition, a wide range of other provincial investment programs support regional community development. These programs include the provision of new government buildings, assistance to hospital and educational facilities, and loans to businesses made by the Northern Ontario Development Corporation. The extensive financial assistance given to local governments and boards represents another aspect of the province's commitment to community development in the region.

¹⁷The policy statement announced the adoption as government policy, with some modifications, of *Design for Development: Northwestern Ontario Phase 2: Policy Recommendations*, released in October 1970 by the Hon. C.S. MacNaughton. The policy statement clarified the purpose of designating "growth centres" and defined the concept to include "growth areas." The Red Lake-Balmertown growth centre, for example, was enlarged to include Ear Falls, and Ignace was added to the list of growth centres or areas, bringing the total to 14.

A critical question is whether government expenditure patterns would have been different if centres of opportunity had not been specifically identified. An examination of expenditures over the past six years indicates that in many cases pressing events have determined the allocation of government funds:

- Regional Priority Budget funds for community infrastructure have been expended in response to imminent growth (for example, in Nakina, Longlac, and Thunder Bay).
- The location of government buildings has been related, for the most part, to the size of communities, their past roles as government centres, and the age of existing government facilities.
- Capital expenditures in the areas of health and education have been made in response to the demand, either for new facilities in areas of growth or for the replacement of obsolete facilities.
- Social services have been provided by the province to eligible individuals, whether or not they reside in designated communities.
- The NODC's lending pattern has been primarily responsive to the demands of the private sector.

The usefulness of a growth-centre approach has been limited by partly uncontrollable factors, including the following:

Location of Resources: Growth in Northwestern Ontario communities is largely determined by developments in the resource industries. These developments in turn are conditioned by a number of factors external to the community, and often to the region.

Market Forces: Extreme and costly levels of government intervention in the workings of the normal free market would be required to induce major industrial development in centres other than those with inherent economic advantages.

Demand Responsiveness: The first priority for government expenditures is to supply services to communities where growth pressures presently exist, and where private development initiatives have already been taken.

For these reasons, it is felt that attempts to identify and project precisely the future growth pattern and functional role of *all* communities in Northwestern Ontario is unrealistic. At the same time, however, there is a recognized usefulness in identifying growth communities to aid government and private investment decisions. In view of continuing cost constraints it is important that the limited amount of available discretionary investment be assigned whenever practicable to those communities having the most promising potential for diversified development. Moreover, given cost constraints, it is imperative that, wherever possible, existing infrastructure capacity and economies of scale be utilized to their fullest potential, and that overbuilding of facilities in communities be avoided. The growth-centre concept is considered to be appropriate to the Northwest, but it must incorporate sufficient flexibility to permit the province to respond to community adjustment demands throughout the region.

The City of Thunder Bay will continue to be the principal urban centre in the region, the only centre with a sufficiently broad labour pool, large local population, and well developed commercial and service networks to attract a wide range of industrial activity. Moreover, its role as the central transportation hub of the region makes it the reasonable location for specialized institutional facilities designed to service the entire Northwest. For these reasons, it is proposed that provincial investments in region-wide facilities continue to be focused on Thunder Bay.

Kenora, Dryden, and Fort Frances fulfil critical distribution and service functions at the subregional level, and have the basic physical infrastructure and population levels required to support moderate industrial and commercial expansion. It is proposed, therefore, that the province continue to recognize these communities as warranting particular assistance, to ensure that their development potential is realized and their basic facilities are well used.

Beyond the four largest centres in the region, it becomes difficult to identify clearly, at this stage, the development potential of other communities in the Northwest. The smaller communities tend to be single-industry resource-based centres. It may, however, prove appropriate to adopt an approach to service delivery that involves the grouping or clustering of a number of centres to create a single service area. This cluster concept, developed in greater detail later in this chapter, would serve to complement the growth-centre focus on larger communities in the region.

It must be stressed that a commitment on the part of the province to a growth-centre approach does not imply that other communities in the region will be ignored or that they will not be recipients of provincial expenditures in the future. It is recognized that there are many viable communities in the region which fulfil an important and valuable role. The province will stand ready to respond to community adjustment needs throughout the Northwest, and private investment in established communities will continue to be encouraged.

Local Government Organization

The community pattern and other unique features of Northwestern Ontario present difficulties in the design of effective systems of local government. In recent years, as demands have increased for improved government services, for better access to government, and for more local decision-making, considerable attention has been directed towards the system of government and the role of the provincial government in the north. On November 22, 1976, the Honourable W. Darcy McKeough released a background paper, *Proposals for Improving Opportunities for Local Government Services in Northern Ontario*, which explores the organizational problems facing northern communities. That paper elaborates on the issues outlined in the following pages.

Improving the structure of government alone will not solve the settlement problems of the Northwest. However, there are areas

in the region where, with a more integrated system of decision-making, many issues could be dealt with more effectively than they are at present.

The issues confronting local government organization in Northwestern Ontario can be placed within two broad categories:

Developed Areas: Single urban municipalities or interrelated groups of centres with related hinterlands.

Undeveloped Areas: Isolated communities and sparsely settled areas.

Problems, issues, and proposals relating to these two broad categories are discussed below. The settlement issues raised by rapid resource development can affect both these categories of communities.

1. Developed Areas

One of the major issues facing the larger communities in the region arises from fringe settlements outside municipal boundaries.

Much of the area around some communities has no municipal organization and therefore lacks urban control devices such as minimum lot sizes, building standards, and environmental protection. In addition, the residents of these areas often look to the larger centre for services and social facilities. Because such areas are not subject to taxation by the central municipality, their residents do not contribute directly to the community that serves them. This situation is clearly inequitable. The lack of an area-wide governmental and financial structure also precludes the connection of fringe settlements with municipally provided services. This can and does lead to duplication of services and to problems that are very expensive to solve.

In some parts of Northwestern Ontario, the unorganized and fringe portions of a municipality's area of influence are included in that municipality's planning area: examples include the Lakehead Planning Area and the Sioux Lookout Planning Area. There is, however, no method of local enforcement or priority-setting in the fringe areas, because the planning boards have advisory capabilities only.

In the areas where several roughly equal-sized municipalities are part of the same economic and physical area (for example, the Kenora-Keewatin-Jaffray and Melick area and the Red Lake-Ear Falls-Balmertown area), these problems are complicated by other factors. These include: competition for growth and industrial assessment; duplication of services, such as recreation facilities; the lack of a single jurisdiction to plan and control development of the hinterland around each of the centres; and the inability of the province to identify area-wide priorities in the midst of conflicting local viewpoints.

While solutions must be tailored to each case, the formulation of a strong consolidated municipality seems a realistic approach to consider in some areas.

Some municipalities in Northwestern Ontario have already experienced substantial improvements in their system of local government. The City of Thunder Bay, for example, resulted from a legislated amalgamation designed to overcome some of the interdependency problems existing at the Lakehead. Further efforts are needed, however, to correct the difficulties presented by the development taking place outside urban centres in the Northwest. The province should continue its policy of assisting northern municipalities that wish to examine their local government and to determine appropriate changes. Community studies should be initiated locally, except in extreme cases where communities with urgent problems prove unable to agree on any course of action.

2. Undeveloped Areas

The problems confronting the residents of sparsely settled areas of the region and small unorganized communities differ considerably from those of residents of developed areas. Although many smaller centres have local special-purpose bodies (such as a local roads board), none has a single elected body with a mandate to speak for the entire community, or a framework through which public priorities can be ascertained and set. Nor does the province have an integrated decision-making system for assessing overall priorities in these communities and

providing services where there is an urgent need.

In a period of fiscal restraint, it is imperative that available funds should be allocated in a highly effective and efficient manner. In small and remote settlements, it is expensive to provide a range of local services and to coordinate the delivery system. These factors tend to impede the efficient allocation of resources. Where local resources are limited and the population base is small, social services, fire protection, and environmental control facilities are often inadequate in comparison with those in developed areas of the Northwest.

Traditional local government structures may not be appropriate in undeveloped areas. The creation of small semi-municipal organizations or full municipalities, for example, may create unrealistic expectations and demands. In short, the problems of small communities in remote areas call for a new approach.

The province has established an Isolated Communities Assistance Fund to provide funds to individuals and groups in the most sparsely settled areas of Ontario for meeting fundamental needs normally met by local governments. The fund is being applied primarily to fire protection, water provision, and water treatment — local services that are fundamental to the maintenance of life and health. The Isolated Communities Assistance Fund is aimed to help those communities that are too far from existing municipal areas to arrange for services under contract, and too small to incorporate separately and so be eligible for other government programs. The new Ministry of Northern Affairs administers the fund.

In addition to the creation of this special fund, the province will continue its efforts to improve its programs in undeveloped areas of the Northwest.

Local Government Finance

The development pattern of the Northwest has led to several problems in local govern-

ment financing. The four most significant issues are:

- The need for immediate “up front” financing to provide essential local infrastructure related to new resource development. This infrastructure can seldom be phased in to correspond with the expanding revenue base of the community.
- The lack of an adequate assessment base to provide budget flexibility in communities that serve an essentially dormitory function for mining or forestry operations.
- The economic uncertainties of primary resource industries and the effect of these uncertainties on long-term financing of community facilities.
- The generally high costs incurred in providing community facilities in the region.

In an attempt to meet the financial requirements of the region’s communities, Ontario has introduced a number of reforms and enrichments into the provincial-local grant structure. The effect of these measures has been to increase the total amount paid to municipalities, school boards, and local boards in Northwestern Ontario by about 50 per cent over the average for the province as a whole (in 1974-75, grants amounted to \$450 per capita).

All provincial grant programs to municipalities, boards, and commissions are available in Northwestern Ontario. In total, there are 32 broad categories of such programs, administered by various ministries; and some contain features designed specifically to benefit Northwestern Ontario. The programs that benefit the region most are education grants, unconditional grants, roadways grants, and social services grants. As a group, these programs deliver more than 91 per cent of the total provincial assistance to the region.

The unconditional grants program is of particular significance. This package is made up of four components: per capita grants, the general support grant, the resource equalization grant, and the Northern Ontario special support grant. The last of these was introduced in 1973, in recogni-

tion of the generally higher cost of municipal goods and services in the north as compared with other parts of the province. The terms of the grant were described in Chapter 2 of this document.

Among the other grant and support programs of particular relevance to the Northwest are the special capital grants available to small community hospitals in Northern Ontario (an additional level of provincial aid equal to one-sixth of approved building costs) and the full provincial coverage of the various social service costs for those residents living in unorganized areas.

In addition to these on-going provincial grants programs, it was noted in Chapter 2 of this report that most of the municipal infrastructure assistance provided under the Regional Priority Budget has been directed towards Northwestern Ontario communities.

Over the years, the province has also directed special assistance to new townsite developments. For example, a special grant was provided to Manitouwadge in 1974 to retire an earlier debenture issue whose debt burden had placed an undue constraint on the community’s budget flexibility. More recently, special assistance was provided to Pickle Lake to finance sewer and water systems.

As the province has already made substantial efforts to ease the financial burden for Northwestern Ontario communities, further increases in provincial grants should not be anticipated. But certain other measures, on the part of both the province and local municipalities, warrant consideration. These include:

- Increased education of local municipal administrators to assist them in identifying and solving problems. Consultants are available to any municipality upon request to the Advisory Services Branch or to the field staff of the Ministry of Treasury, Economics and Intergovernmental Affairs. Frequently, however, assistance is sought only after a crisis has been reached.
- Investigating the possibility of clustered use of municipal facilities equipment and ex-

perts, in order to reduce revenue requirements. Such an approach might prove feasible in cases where full amalgamation is not desired by adjacent communities.

Approaches to Rapidly Growing Communities

Most rapid-growth situations are related to new resource developments. As noted earlier, the province encourages the expansion of existing communities rather than the establishment of new settlements. It is recognized, however, that the creation of new communities may in some cases be unavoidable. Moreover, the impact of expansion in some existing communities may be very similar to that of establishing a new settlement.

The overriding objectives for future resource-based community growth are orderly financial and physical planning, and the provision of adequate community services. Where significant expansion of an existing community is planned, levels of service in established neighbourhoods must be rationalized with service levels in the newly developed sections of the community.

To meet these objectives, there is a critical need for consultation between industry and all levels of government at the earliest stages of planning for new resource projects. There have been instances of early consultation, but unfortunately a company often completes its planning before it announces the development project. Only then is government able to initiate organized planning and financing, and sometimes it may be too late to ensure the best possible delivery of services. The lack of early consultation has also handicapped private developers in attracting and holding manpower, since accommodation and other essential community services are not in place.

In order to facilitate better consultation, procedural or administrative changes on the part of the province will be considered. In the past, ad hoc interministerial and, in some cases, intergovernmental committees have performed a coordinating function,

with varying degrees of success. A more formalized process, however, might operate more effectively to elicit early and complete cooperation from the private sector. The Ministry of Northern Affairs will play an important role in establishing such a process.

One of the most difficult questions for the government, in its dealings with expanding communities, is how to apportion financial responsibilities for the provision of housing and other necessary services. This question is even more complex when the affected community fulfils a dormitory function and gains little industrial assessment. Generally, the rapid expansion of housing and community services necessary to support new resource development requires large initial capital outlays. Clear identification at the outset of the financial responsibilities of the resource industry and the various levels of government would reduce uncertainty and accelerate the provision of needed community facilities.

It must be noted that a further cost constraint to the achievement of expanded processing activities would be introduced if the private sector were expected to provide too great a portion of community facilities and amenities. While both the provincial government and the regional communities can be strongly committed to improving the quality of life in the north, future community expectations must reflect economic realities. Because of the unique characteristics of the region, some kinds of community services involve extremely high cost and cannot be put in place without correspondingly high levels of local taxation.

Approaches to Declining Communities

A significant loss of jobs is a potential occurrence in any community whose economy is based on a depletable resource. This possibility raises difficult questions about a realistic and appropriate provincial policy for these communities. While economic decline may lead to a drop in population,

communities seldom disappear completely. Many residents have a strong commitment to their community, and this spirit must be recognized.

The best way to avert the difficulties experienced by declining communities is to plan in advance in order to avoid single-industry dependencies wherever possible. Where unavoidable situations of decline do arise, however, established procedures are needed to ensure a coordinated and consistent government approach to assisting community adjustment. At the same time, for each specific case, a detailed analysis must be carried out of the social and financial options for readjustment.

As in the case of communities experiencing rapid growth, consultation between industry and all levels of government at the earliest stages of anticipated closedown is critical. There is a role to be played by the province, under the direction of a designated lead ministry, in establishing in declining communities a formal study group, representing all interests, to analyze carefully the facts of the situation. This review process would ensure that decisions took into account all available information and that all groups participating in the community were made fully aware of the options open to them.

The principal option to be pursued would be the assessment of potential development opportunities to offset economic decline. The province, working with the local study group, would assist in feasibility studies and industrial promotion efforts for the threatened community.

In some cases, the search for alternative economic opportunities would not, however, be successful; and the economic life of the community would effectively end with the exhaustion of its resource base. This type of situation would pose two difficult problems. The first concerns the type of adjustment assistance that should be delivered to community residents. The second relates to the provision of physical services needed by the reduced community. Here again the province should work closely with the local

study group to resolve these issues and implement necessary measures. Innovative forms of physical and social servicing may be required.

Stable Resource Communities

Resource communities in the Northwest with a stable population base experience some of the same settlement problems outlined above, concerning the financing of physical services and social amenities.

In these communities, the uncertain future of resource development may once have made it difficult to attract long-term public and private community investment. As a result, many facilities were constructed in anticipation of a limited community life, and additional services had to be introduced ad hoc. Sometimes such services no longer meet the needs of the more mature communities that have evolved. This problem has been compounded by the introduction of more stringent environmental and other regulations that have rendered some existing facilities obsolete and could involve high upgrading costs. Some of the current financing concerns of stable communities have arisen because, at the outset, clearly identified roles for the resource developer, the community, and the province were lacking.

The universal phenomenon of rising expectations has also contributed to the widening gap between service demands and fiscal capacity. Few residents will now accept the living conditions common to frontier towns of the past. If the level and quality of services are to be increased, extensive financing will be required, and there are only three sources of funds: government, the resource industry, or the local taxpayer.

As noted earlier, the province already has many programs to assist Northern Ontario communities, and it is felt that provincial levels of assistance are adequate. The residents of stable communities may, however, be expected to provide additional financing, either by way of general taxation

or special levies, for improved or additional services from which they will receive direct benefits.

The involvement of resource industries in the financing and provision of community facilities varies widely. As in growth situations, there may be a need for clearer determination of the roles and responsibilities of resource developers in small, stable communities. At the same time, however, it is recognized that it might be inappropriate to change the "rules of the game" for industries. Additional costs might threaten the cost competitiveness of existing operations and/or impede expansion of related processing facilities.

Community Clustering

In several areas of the Northwest, the population is dispersed among a group of small communities, each incapable of supporting a high level of service on its own. Residents of these communities must turn to larger, distant centres (such as Thunder Bay, Kenora, or Dryden), which have a population base that can support higher-level services. The provision of community services in small and remote Northwestern communities might be improved if these settlements were grouped or clustered within a single service area.

An approach of this type is not new to the region. Boards of education, for example, currently embrace areas encompassing several communities. Consideration should be given to the extension of the clustering concept to achieve a suitable and economic distribution of manpower and facilities for other services. It must, however, be recognized that some specialized services will continue to be available only in the larger centres, since the total population of a district, or even of the entire region, may be the minimum necessary base for such facilities.

To be effective and efficient, service clustering requires specialization within the cluster. Local cooperation will be needed to ensure that services are not duplicated unnecessarily.

Three areas of the Northwest appear to offer some potential for clustering:

- The North Shore (including the communities of Manitouwadge, Marathon, Terrace Bay, and Schreiber), with a current combined population of approximately 10,000;
- Nakina, Geraldton, and Longlac, with a current combined population of about 6,000;
- Red Lake, Balmertown, and Ear Falls, with a current combined population of approximately 6,800.

All three areas are distant from the main urban centres of the region. Within each proposed cluster, commercial and transportation links are developing, and a number of services such as education are already organized to serve the area. It is proposed that the province, in conjunction with these communities, should undertake a study to assess the feasibility of cooperative efforts to provide future services through clustering.

Local Government and Community Planning

The province is committed to the concept that local involvement should be encouraged in the planning and delivery of community services throughout Ontario. Wherever local government structures are in place in the Northwest, they are recognized as the politically accountable forum that should be supported, having the same responsibilities that have been given to, and may in future be given to, other local governments in the province. In particular, these units should maintain primacy over the delivery of services traditionally provided by the local level and should have, or retain, the capacity to prepare policies covering a full range of municipal functions. They should also have a strong role in advising on the quality of services provided locally by other levels of government.

As has been noted throughout this document, there are instances where existing local government resources are inadequate to cope with certain responsibilities. The province will continue to emphasize the provision of advisory assistance to local governments in order to better equip these local bodies to meet their planning needs. In addition, the province will continue to assist municipalities that wish to examine their local government structure with a view to determining appropriate changes in local boundaries and functions.

In special circumstances, where problems transcend municipal boundaries and affect territories without municipal organization, coordination by special-purpose bodies of the planning and implementation of programs of various levels of government and private agencies may be appropriate. Current examples of this type of useful administrative consolidation are the district health units and the Rainy River District Social Services Board.

Where there is no local government, the preparation and implementation of plans for services should be clearly seen as a direct provincial responsibility. In performing this role, the province should make use of local advice through formally established advisory bodies. These bodies would not, however, assume other functions normally fulfilled by politically responsible local government structures.

Native Communities

About 13,000 people in the region live on Indian Reserves. In addition, native people comprise between 50 per cent and 100 per cent of the population in many of the isolated communities in the Patricia Portion and along the northern CNR line.

Local government and community planning on Reserves are outside the jurisdiction of the province and local municipalities. The provision of community services is generally regarded as a federal responsibility; but for a number of purposes Indian Bands are treated similarly to municipalities by the province (for example, for the provision of community recreation centres and road maintenance subsidies). Although there is considerable migration from Reserves to other centres, the wishes of Indian people and the programs of the federal government are directed to the continuance of Reserve communities through the provision of housing, electricity, water, and waste disposal.

Those Reserves that are adjacent to municipalities, such as Couchiching at Fort Frances, Rat Portage at Kenora, and Longlac #58 and #77 at Longlac, are socially and economically interdependent with their neighbours. Resolution of shared problems in these cases requires dialogue and co-operation.

In unorganized communities with a substantial native population, it may be inappropriate to apply standard provincial settlement policies. Social development considerations may justify the creation of a workable option to stay, at least for the present generation. Each community is a unique case and needs to be considered on its merits.

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